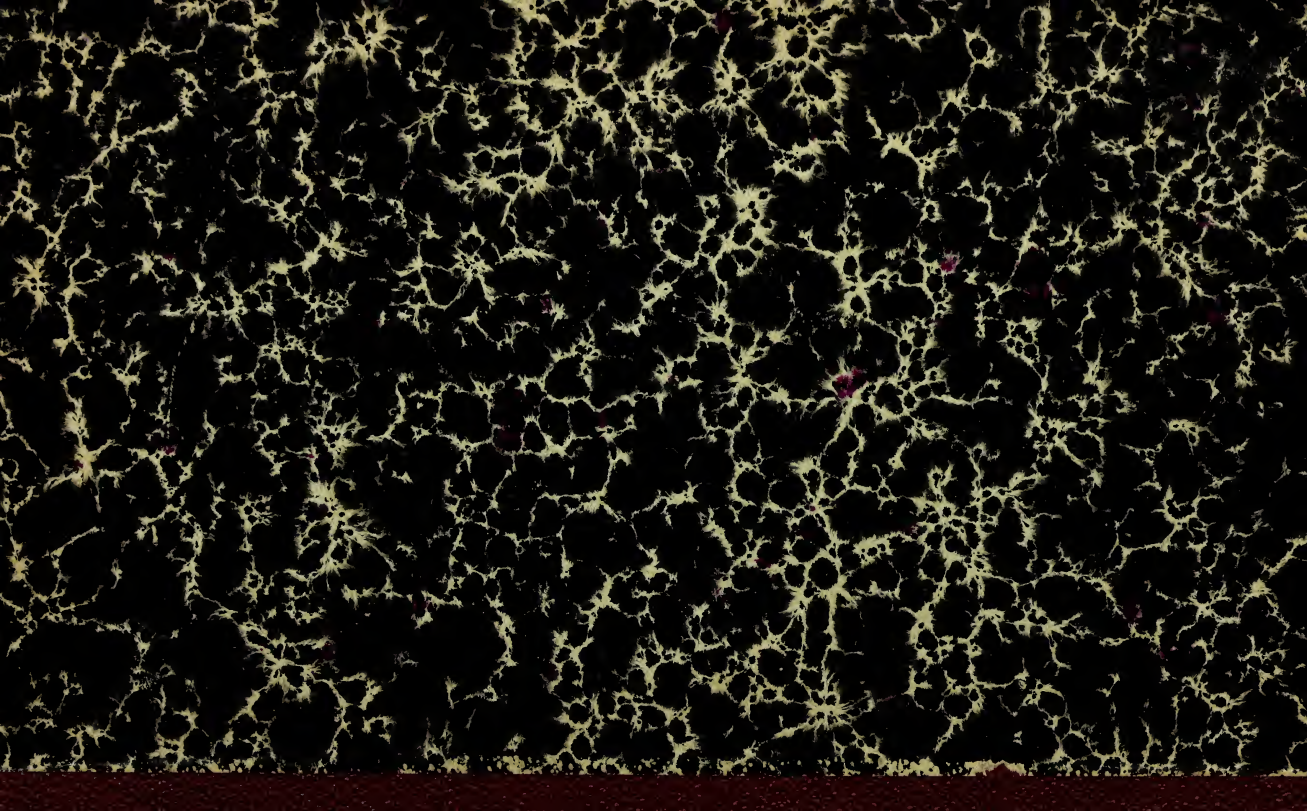

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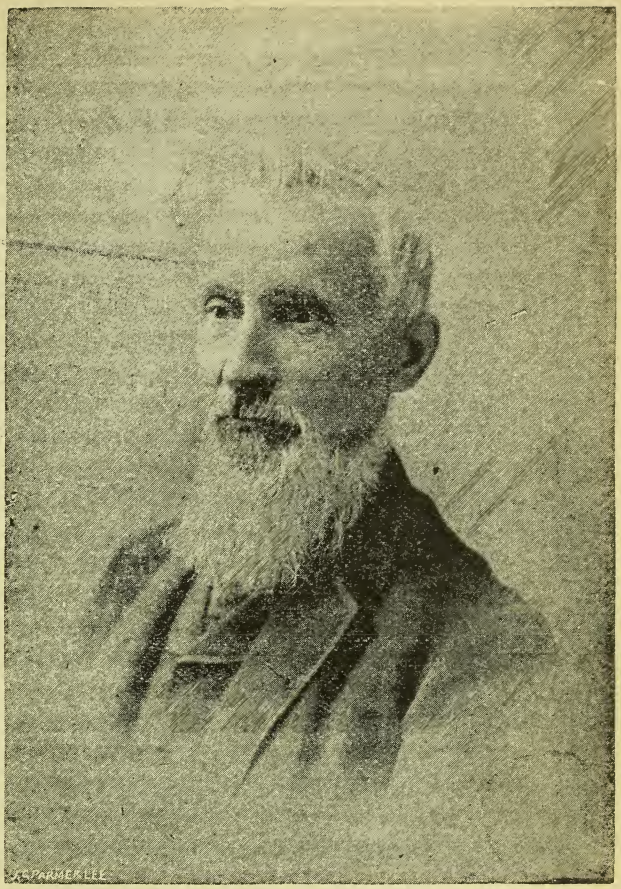

G. B. De Bernardi

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JULY SERIES, 1890

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Trials and Triumph

OF

LABOR

THE

NEEDLE'S EYE

OF

Legal Tender Money.

By G. B. DeBernardi

MARSHALL, MO.
CAPITAL PARLOR PRINT,
1890.

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AN APOLOGY

Before the reader undertakes the task of perusing this book, we desire to beg his indulgence on its many faults, but especially on the wearisome repetitions to be found in the same. In our attempt to explain verbally the principles herein contained, we found that, while an argument or illustration in one form would reach some minds, others would only be struck when presented in another form and still others could only comprehend it when coming to them in a third and other channel. Our object is to be understood by as many as possible, and hence prefer to subject ourselves to the criticism of redundancy rather than brevity. The reader who becomes imbued with the within truths will, we feel sure, realize their importance and grant us the privilege of reaching others by a variety of methods.

We desire also to state that no reflection is here intended on legislators or governments. We are aware that laws are not MADE but GROW; that they are the manifestation of general habits, customs and social needs. The monetary system of

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civilization is the natural result of ancient methods of exchange. Our money originated in periods of universal insecurity of life and property. In such periods surpluses of property, however useful and desirable, if they could not be carried away, absconded or preserved, were utterly worthless, while other articles, though useless for purposes of life, but pleasing to the eye, portable and imperishable, arose into high esteem. The ages of social chaos and continuous wars gave value to precious stones which, in time, became mediums of exchange.

The greatest revolution in industry and commerce took place when precious stones were elevated, by law, into mediums of payment, or sole legal tender.

This line of evolution developed alike in all countries and under all forms of political institutions. It is therefore at least presumable that such progress was in analogy with the condition of things, and that no man, class or nation should be held responsible for the fact and its consequences. What we contend for in the following pages is that the precious stones of our ancestors are no longer necessary or useful to the present stage of civilization, but are, on the contrary, a positive impediment to future progress.

With good will for the Toilers of the Earth, and with malice towards none, we proceed.

PREFACE.

Two powers have, in all ages of which we have any record controlled and robbed the hive of labor, viz: despotism and money. Labor has ever been the victim of conquest or purchase. In ancient times a band of marauders would invade a country, possess themselves of all there was in it, enslave its inhabitants and put them to work, while the invaders would constitute themselves into an "upper class" composed of civil rulers and military chieftains, whose duty it was to make the laws, govern, suppress insurrection within, and resist invasion from without. Under despotism the working classes had no rights which the upper classes felt bound to respect. Their persons belonged generally to the king and their labor to lords. No progress could be expected from beings so situated. On the part of the ruling class social improvements consisted in so depressing aspirations in the slaves as to become resigned to their condition, work without supervision, keep one another into subjection by a police force raised from their own class, and be willing to assist their masters against foreign invasion, the which went by the

name of patriotism. When the conquered people had been reduced to such point of submission, despotism would be considered established on a solid and permanent foundation. The toilers toiled and the rulers enjoyed in luxuries and dissipation.

Despotism in Europe reached its meridian of splendor and glory in the reign of Louis the XIV, King of France, last century. It received its death-blow at the French Revolution, in 1789, and has since been on the decline. Its sun will, we believe, soon sink beyond the political horizon, there to remain forever.

Side by side with despotism arose and grew the money-power. This power had a different origin and operates differently from despotism. It does not invade, but invests; it does not conquer, but acquires; it does not govern, but manages the producing classes. It has been free from insurrection and invasion, hence has been more general, more lasting and more baneful in its effects than despotism and will be harder to suppress, as its means of subjugation are milder and more insidious, and its victims attribute their misfortune to their own voluntary acts. Despotism built upon the ignorance of its victims and relied for support on military force; hence it melted in the presence of advancing civilization. The money power, on the contrary, thrives most as civilization is advancing, for it builds on mental cunning and relies on

laws of its own making. Under despotism social stations are fixed; no one expecting to rise above nor fearing to sink below his class, while in the meshes of the money-power every one is aspiring and struggling to reach a station, where he may live in affluence on the fruit of his neighbors' toil. Despotism is no longer dreaded, while the pressure of the money-power is just beginning to be felt, but not yet understood. The toiling masses groan and lament their losses, but are yet at a loss what to do. As despotism in 1789, so is the money-power at its zenith now. Hereafter it will be impossible to surpass the millionaires and financial monopolies of our day. They control governments and people, and absorb all the benefits of civilization. Such power can rise no higher, nor remain stationary; hence, following the destiny of all things temporal, is doomed to decline and set, also to rise no more.

With the downfall of despotism and the money-power will end the STRUGGLE FOR EXISTENCE among rational beings. War and speculation, invasions and investments, conquests and acquisitions will no longer build thrones and fortunes upon a golgota of human misery.

In the dim distance we discern already the dawn of Labor's day. Yes, the evening of the money-power and the morning of Labor's day, the setting of the Dark Ages of industrial chaos, oppression and plunder and the rising of industrial

liberty and equity are the evening and morning of our social horizon.

This humble production is intended to point out the above facts succinctly and direct the attention of the oppressed to the only road which promises to lead them peacefully to liberty and affluence.

Meantime we are preparing a larger work upon the "ORIGIN AND PROGRESS OF THE MONEY POWER."

There can be no department of human development more interesting to the moralist, the philanthropist and the student of social evolution than the investigation of such an extraordinary phenomenon as the EMPIRE OF METALS over men. It seems incompatible with human instinct and reason both, that two metals, gold and silver, which by nature are not fit to supply the least of human wants, should have ascended to be rulers over man. Yet so it is, and no empire, ancient or modern, has lasted so long or ruled so universally and wielded such influence over the destiny of the human race as gold and silver. These metals are to-day the longed for angels of blessing by all nations. Their arrival or departure bears the weal or woe of millions.

OBJECT OF THE WORK.

Herein we purpose to demonstrate the following important truths, viz :

1st. That the power of precious metals is not an inherent quality of those metals, but in the law which vested them with the royal prerogative of "LEGAL TENDER."

2d. That the vast inequalities of fortunes, the hardships of the multitude to obtain a bare living, and widespread poverty and want are mainly due to this barbarous monetary system based upon the law of "LEGAL TENDER."

3d. That a rational monetary system should be purely a method of accounts, independent of any material on which these accounts may be recorded, and thus not affect the commercial values of the commodities and services exchanged.

4th. That the workers in industry and commerce have it in their power by and through a proper sys-system of co-operative production and mutual exchange, to liberate themselves from the restrictions and exactions imposed upon them by the money power.

To the fulfillment of the above possibility is this

little book devoted, in the firm belief that, with such reform, the human race will enter upon an era of continuous progress and prosperity, uninterrupted by monetary deficiencies or financial cataclysms.

THE CENTRAL QUESTION.

The question of Labor in America is purely a question of money, and not of private ownership of land, as Henry George and his followers believe. When the land becomes the property of a few, if such be tolerated under our political institutions, then the question of labor, and with it the questions of political and personal liberty, will become questions of land and money both, and revolution alone would be able to solve them. The spirit of liberty, however, imbibed from centuries of education and training, is too deeply rooted in the American citizen to ever permit a landed aristocracy either to drive him from the land or compel him to cultivate it in servitude.

At present we are yet at a distance from such condition of things; hence we assert that the only question which concerns us is the question of money. Nay, we will add that LEGAL TENDER MONEY has ever been and yet is, in all civilized countries, the crucible into which the products of labor are melted and hence run into the coffers of speculators. It is the most exacting superstition that ever obtained control of the human intellect

and held man in bondage for centuries; it is the UPAS TREE which bears most of the social and all of the financial ills to which man falls heir. The deplorable condition of the working classes, the immense disparity of social positions, oppressive monopolies and trusts, insecurity of enterprises, financial embarassments, failures, distress, poverty, misery and the modern method of reducing to bondage the living and the unborn are all fruits of the same tree. Yes, "legal tender money" has been and is, more than ever before, in all countries, and under all forms of government, a power overshadowing landlordism and all social questions combined, in regard to the equitable or iniquitous distribution of wealth. We deem it absolutely necessary to correct the monetary system, if landlordism is to be avoided and liberty itself maintained. Our forefathers were all owners of the soil they cultivated; but legal tender money, in control of the markets and dictating prices, absorbed the profits thereof, then by a system of loans, mortgages and foreclosures, is fast absorbing the land also. If landlords in England had not been entrenched behind a law of entail, but open to the batteries of the money power, there would not be now one original owner in possession of his estates. Hence, as long as this monetary system and financial laws exist, give us enough legal tender money and,

without disturbing vested rights, or interfering with social relations, nor causing one ripple upon the political or religious horizon, we will liberate the working classes at once, in all departments of industry, from their uncertain, uncomfortable, restless and abject condition. Give us money, and without fear of overproduction, we will employ every man and woman at remunerative wages; we will buy or build railroads, clear our navigable rivers and cover them with steamboats and barges; and we will place a merchant marine on the ocean and there compete with any nation. Give us money and we will flood the markets of the world with American goods and supply America with all the comforts that the world can afford. We will buy or open mines, purchase or build factories and mills and install in a commodious and elegant home every family in the land. Give us money and we will purchase land enough to produce food for twice our population, and, by withdrawing servile or hired labor from the balance, force its cultivation or sale also. Finally give us money and we will put an end forever to the contest now rising between capital and labor, and no more will be heard of monopolies, of high and low tariffs, of high and low wages, of high and low prices, nor of strikes, boycotts, lockups, hard times, panics, financial crises, commercial failures, distress, poverty, fam-

ine, riots and revolution. Scarcity of money is the fruitful source of all these.

This world is great, grand, beautiful and RICH in all things necessary to man's well-being. Labor is able and willing to explore it, to extract from it wealth enough to supply the wants of every human being. Money is the only thing lacking to set Labor in motion and open up these vast and inexhaustible natural stores; hence we repeat, give us money and universal prosperity will follow.

Every man of ordinary intelligence, not only believes, but positively knows the above assertions and possibilities to be correct. He knows that, with money, he could liberate every family now grieving and groaning under the burden of a mortgage, which threatens to bear away their homes, that he could employ every worker, drive the wolf from every door, wipe out from every heart the dread of poverty with its attendant evils, and fill every home with abundance and joy. And no grander and nobler work could be done on earth.

Thus it is manifest that the problem of labor, and with it the still greater problems of human development and human happiness, depend upon the procurement of money or the discovery of something or some method which may fill the functions of money in industry and exchange. Thus express the condition more forcibly, the progress,

prosperity and well-being of the human race, as laws, habits and education now stand, are made to depend, not upon the bounties of nature nor upon the genius and ability of man, but upon the presence of an inert useless metal, elevated into legal tender money. Such has been the wisdom of men for ages.

Impressed with the foregoing truths, we deem it useless for labor associations to waste valuable time and precious means in searching elsewhere, but in the essence and functions of money, for the desired solution of the labor problem. Here let us make our meaning plain by illustration. If a small squad of soldiers, through some peculiar weapon, drill or strategy of their own invention, had conquered all the nations of the earth and continued to hold these nations in subjection, extorting from them heavy tribute, (as the money power has done and is doing), should it not be the imperative duty of these nations, in self defense, to examine carefully and endeavor to master that peculiar weapon, drill or strategy, which has enabled those few to carry destruction in their midst? Or, if a few men, endowed with no superior physical or mental ability than others, yet, by the use of some peculiar machine, method, ingredient or device, had been enabled to reach a position of great ease, comfort and enjoyment, at the expense of their fellow men,

(as money manipulators have done and are doing in all countries), should it not be the imperative duty of the victims, who long for these same blessings for themselves, to look into the mysterious machine, method, ingredient or device that gave their neighbors such control over their destiny? Now is it not true that a comparatively small squad of so-called capitalists have been and are to-day, more than ever, the band of soldiers, who, without risk of life or limb, have conquered the world, governments and governed and hold both under tribute? Time was when rulers, warriors and priests, governments, armies and religions were entirely independent of a money power; but we know that for centuries this power has been growing in magnitude and tightening its meshes around them, and now there is no potentate, statesman or pope who dares to disregard it. There is no government foolish enough to attempt to move without its aid; no army could make headway against it, and all religions must consult it and abide its behests. Consequently is it not true that this small band of money manipulators have captured most of the sources of production and inter-comunication, so that the actual designers and builders of all the comforts and luxuries of which civilization can boast, are actually in a state of siege, unable to operate without permission from the money power.

and compelled to pay tribute for that permission? Finally, is it not true that "legal tender money" is the weapon and a barbarous monetary system, inherited from the Dark Ages, is the machinery in the hands of capitalists and speculators, wherewith this unholy, obstructive and destructive warfare against industry is conducted? Yes, a small body of skillful captains of money, generally inferior in talent, in literary attainments, in inventive genius, in mechanical skill and in all those noble qualifications upon which is based the onward march of the human race and to which alone are due the great achievements of all times, are to-day, be it said to our everlasting shame, masters and rulers of mankind; while poor, benighted, crushed Labor, from the hod-carrier to professors in universities, move or halt, enjoy or suffer at money's bidding! Is it not then high time that the hosts of producers, builders, merchants, educators and all useful classes should awake from their slumber, open their eyes on this monetary system, brush off their inveterate prejudices and find by what magical jugglery those few manipulators of so insignificant a thing as money is, without performing one single useful industrial act, have reached and maintain so lofty a position and mastery over their fellow men? At such awakening it will be found that within the monetary

system alone hides the wolf which in civilization is devouring the flocks and fruit of industry; that from this system issues the serpent which holds within its coils the mortgaged homes of millions, that causes those periodical cyclones or panics, which scatter the accumulations of a lifetime to the four winds of heaven, followed by prostration of business and wide spread ruin and desolation.

The truth of the above assertions is attested by history and living facts; yet not one writer of eminence on the subject, that we have read, points to LEGAL TENDER money as the root of all evils. We shall humbly undertake to do what we can towards elucidating these facts and leave the subject to better intellects to complete.

POWER OF MONEY.

It cannot be for a moment supposed that the extraordinary power of money is an inherent quality of gold, silver or any other material out of which money is coined or stamped. Nor do such materials acquire that power from their use as MEDIUMS of exchange or units of value. No, the power of gold and silver is vested in them and there upheld by one of the most tyrannical and, at the same time, most absurd edicts that ever emanated from mortal man. It is based, as we stated, upon the royal prerogative of SOLE LEGAL TENDER in payment of debts, taxes, fines, satisfaction of judgments and the liquidation of estates. Raise a man, by law, above the law, declare him "SACRED AND INVIOLABLE," as royalty is elevated, and that one edict will sink a whole nation into the abject condition of "SUBJECTS." What is true of men is equally true of wealth, upon which men subsist. Crown one article LEGAL TENDER and the myriads other articles will at once sink into financial subjection to it, and a monopoly of such article will control in absolute the production and distribution

of all wealth. Civilization has long since become conscious of the baneful prerogative vested in royalty, and millions have perished in attempts to abolish it by revolution. But this same civilization is not as yet conscious of the financial power vested by law in gold and silver; yet the prerogative bestowed upon these metals is far mightier and more pernicious in its effects than that bestowed upon rulers, as relative conditions at the present attest. These two powers have co-existed for centuries, and which one has gained the ascendency over the other? Is not the creature, money, mightier than its creator despotism? The answer to this question was very forcibly given by Baron Rothchild, of London, on the occasion of a loan asked for by Austria. "Time was," he said, "when every Jew had a king" (abusing him), "now every king has a Jew" (to loan him money). And again in this country we had a proof when the Geneva Commission awarded fourteen millions to the United States for damages done by the Alabama during the rebellion. The Bank of England notified the authorities of the United States that, if they attempted to move that amount of money bodily, "the whole power of that institution would be arrayed against this nation." Had it been the government of England making such a threat, we all know what this nation would have

done; but the command came from a greater power, the money power, and our government bowed in submission to it. Liberty follows money. A man with money is free under all governments; a moneyless man is dependent everywhere. So is it of a government. A bonded nation is not sovereign. Personal and civil liberty never will exist in its fullness under a money power. Nor will progress reach its full capacity of development as long as it is forced to pass through the "Needle's Eye" of legal tender money.

STRANGE.

How a few glittering grains of useless metals, found accidentally by savages among the sands of mountain rivers and used to gratify a low instinct for ornaments, ascended to a legal throne, whence they control human activity and, through it, the progress and prosperity of mankind, is one of those problems which philosophers have so far neglected, but a problem too important to longer evade the crucible of modern universal investigation. These are times when all institutions, however sacred or made venerable by age, will be put to the severest test, and the question, "what are gold and silver," or "what is money, that men should bow to, or be hampered by it," will demand a more logical answer than has hitherto been given by political economists and financiers. The attributes lavishly bestowed upon these so-called "precious metals," as "mediums of exchange," "representatives of wealth," "measures of value," "standards of value," etc., will no longer cover their deformities as the greatest "mediums of robbery," "breeders of commercial panics" and "instru-

ments of modern and future slavery." When science clears away the mists which have befogged the essence of those metals for centuries, they will stand revealed the mere creatures of legal tyranny and universal folly; the heaviest incubus on the growth of progress and the mightiest means of robbing, in civilization.

Tear away the legal mask from over them, demontize them and they will shrink back to the place assigned to them by nature and cease to hamper progress and torture the human race.

EXPLANATION.

Before we proceed, however, to demonstrate the force of those two, apparently, harmless words, "LEGAL TENDER," vested on gold and silver, it may be well to remark that the decree, which created them such, comes to us as a wolf in sheeps clothes, as the devil wearing the livery of heaven. It comes under the guise of a benefactor to the DEBTOR class, while in fact it proves an object of terror to that class, bringing millions of them to ruin and desolation, and the bearer of immense fortunes to the CREDITOR class. The formula "LEGAL TENDER" feigns to imply the legal right of the debtor to compel his creditor to accept that one article in satisfaction of the debt; but, on the contrary, the true force of the law is to enable the creditor to

refuse any and all other articles, and compel his debtor to produce or procure the privileged one, at whatever sacrifice he may be subjected to, and, in case of failure, suffer distress. Who ever heard of a debtor having to compel his creditor to accept the "legal tender" commodity, be it gold, silver or paper? On the other side, who has not witnessed thousands of instances when the debtor offered his creditor other property, at reduced value, which the creditor refused to accept and pressed said debtor to ruin under the sheriff's hammer? What causes universal terror in times of financial crises? Is it lack of wealth or lack of LEGAL TENDER money? The wealth is ever there; legal tender is the missing element. During the panic of 1873 commercial houses and bankers of New York entreated the government at Washington to let loose those two bales of legal tender greenback paper money held for, no one knew, what object in the treasury, asserting that said money would check the financial cyclone. The petitioners were good judges of the situation; they well knew what sort of element would quench such conflagration; but the party interested in having the tree of industry shaken, in order that they might gather in the harvest of depreciated wealth, prevailed upon President Grant, and he refused to part with those bundles of paper. Thousands lost all they had.

but the greenback was held safe. It was afterwards destroyed to prevent it interfering with the profits reaped by bank notes.

Yes, the shortcomings of legal tender money alone is the cause of all financial calamities without one single exception.

NEEDLE'S EYE OF LEGAL TENDER.

AN ALLEGORY.

In the progress of human events, the Godess of Liberty, whom despotism had forced to take refuge amidst the bleak mountains and narrow crags of Switzerland, took flight across the ocean to Columbia, a new land, which God, in his goodness, had reserved for her development. Here she was, in due time, to proclaim to the world, in thunder tones, that life, liberty and the enjoyment of happiness are "inalienable gifts of the Creator, and that the rights of governments should be derived from the governed. The oppressed of all nations would hear her voice and flock under the ægis of her standard. Then the cheerful shout of the delivered, the din of industry and the song of the happy would echo and re-echo over the land. God would bless these, his children, with a thousand blessings and fill their homes with abundance and joy. Finally they would become a great nation and none would dare to make them afraid.

Thus the prophet, the verification followed.

Pressed by poverty and persecution, and filled with bright hopes, family followed family across the ocean, afar to the setting of the sun, and there soon gathered a goodly colony of farmers, mechanics, builders, merchants, manufacturers, teachers, preachers, physicians and all auxiliary classes. Appertaining as they mostly did to the lowly of the Old World; lowly, we say, in the possession of this world's goods, but strong in physical, mental and moral qualities, able and determined to make the most of this life, if only allowed to do so. They had brought with them but few necessary effects, a scanty supply of clothes and household furniture, a few tools and implements, some domestic animals and some farm and garden seed to start a NEW WORLD with, and start it they did. The distance from the mother country, the absence of other friends, the similarity of conditions and circumstances, the common wants and aspirations, the necessity of mutual assistance united them and in the bonds of consanguinity as one brotherhood. With one accord they set to felling trees, building houses, clearing and fencing the forest, breaking the soil, planting orchards, cultivating grains and vegetables, raising fowls, flocks, herds, flax, cotton and wool, spinning and weaving cloth, making clothes and thus providing generally for man and beast.

THE SERPENT.

Among the immigrants there came over a restless youth, naturally averse to all manners of useful work, but fond of hunting, of pranks and a good meal. He lingered a few years among the settlers, ever present at pic-nics, hunting, dancing and dinner parties, ever absent at log-rolling, brush-piling, house raising, corn cutting and husking parties. Often cheating a friend out of dog, gun or horse; a burden and a nuisance wherever present. Finally he disappeared Westwardly, unwept and unlamented.

The colony grew apace in numbers, enlarged its area and added constantly to its stock of wealth. In a few years the colonists had a surplus of the necessaries of life and were able to devote time to the comforts, conveniencies and recreations, as well as to advance the cause of education. The unsightly log-cabins, school houses and churches were rapidly being replaced by comfortable, commodious and elegant frame, brick and stone buildings; rude house furniture made way for better polished and more convenient articles; family looms were laid to rest, and wool, cotton and flax taken to large factories, run by water-power, and converted into rich cloth. The dense forest was being transformed into an earthly paradise of green pastures, on which

were flocks of bleating sheep, herds of lowing cattle and neighing horses filling the air with domestic music. Broad fields of yellow grain and orchards loaded with luscious fruits gladdened the heart of the husbandman. Straight, graded and graveled public roads from town to town; everywhere attractive residences, barns, parks, long rows of shade trees, while their bins, graineries, mills and large stores were filled to overflowing with grains and merchandise, domestic and foreign. Pen could not paint the prosperity and enjoyments of this people. In proportion to population their wealth exceeded that of any people on earth.

AS IT SHOULD BE.

Fortunately they knew nothing of what we moderns call LEGAL TENDER MONEY, nor had they any use for it. Their monetary system was very simple, inexpensive and most effective. Politically they had established a general government to attend to the affairs of the whole colony and defend them against invasion or insurrection. This general government they supported by a contribution from each according to his or her means. They had also established local governments to look after such public affairs as did not concern other localities in the colony. These local authorities they also supported by a direct tax in the same

manner as the general governments. Both these taxes were collected in kind as follows: The general government had printed annually, on fine silk paper, a form of receipt or voucher, devided for conveniency, in denominations from one average day's labor (which was their unit of value called D) down to half, one-quarter, one-tenth and one-hundredth part of a day, and upwards two, five, ten, twenty and one-hundred day's work counting decimally both ways. The governor would pay these vouchers to officers, contractors and for all purchases. These vouchers would circulate from hand to hand in exchange among the colonists during the year. At the end of the fiscal year the governor would have the year's issue of vouchers summed up, the amount divided among the taxpayers in proportion to the means of each (which he had previously ascertained by an assessment), and recall them for cancellation. The sole purpose of this recall of the vouchers was to ascertain that each citizen paid his or her portion of tax. This ended all the financial operations of the civil government. By such a system the colonists were enabled to pay their taxes with their several products and services, because they had a chance of selling to the officers, contractors and manufacturers their products before the tax was due. They also paid the exact amount necessary to support

the government and no more. No other parties were thus allowed to come between the governor and tax-payers and speculate on the transaction. If the governor needed any article from abroad he could easily obtain it from or through the merchants in the colony, as they were exchanging surplus products of the colony for foreign articles of every kind. Nor can anything abroad be purchased in any other way than by a direct exchange of products.

The local authorities collected the tax by local vouchers in the same manner as was done by the general government.

There was no danger of either class of warrants depreciating, because, annually, every tax-payer was compelled to provide himself with at least warrants enough to settle his tax, and this requirement absorbed the whole annual issue.

Another good feature of this system was that tax-collectors did not need to give bond. The documents they received were cancelled in the presence of the tax-payers and thus rendered valueless.

Under such rational system, the governor, nor local authorities, were never under the necessity of borrowing money, goods or services. Barbarous nations, who have adopted an inverse monetary order, believing that money goes in advance of

industry and exchanges, borrow money first, with which their governors "pretend" to pay the people for what they get, then demand the same money back in taxes with a surplus, wherewith to reward the lenders. Herein the trouble of barbarians in money matters.

To enlarge further on the colonial monetary system, it consisted of the three following circulating mediums of account, viz:

1st. COLONIAL WARRANTS, indicating the amount that bearer had contributed to the support of the general government.

2d. LOCAL WARRANTS, indicating the amount that bearer had contributed to the support of the local authorities and public improvements.

3d. MERCHANTS CERTIFICATES, or money of the merchants, indicating the amount that bearer had on deposit in the stores of the colony.

The merchants in the colony had come to a mutual agreement to receive each other's certificates, and, for conveniency and identification, had issued a uniform blank for these certificates. Thus the merchant's certificates were good in all parts of the colony. Commerce with other countries was purely an interchange of commodities.

The merchants had also established cancellation offices, in our day called clearing houses, for the settlement of balances between several parties and

with foreign nations. The most important point, probably, in this whole monetary system, was that the colonists would never bind themselves to pay balances due in commerce, or debts, to one another, at home or abroad, in any one special commodity, no matter what the commodity may be, as thoughtless barbarians do, lest such commodity should not be procurable at the times, or only procurable at enormous sacrifices. Nothing entices a man so much to speculate, as when he can get hold of an article which he knows before hand that his neighbors are bound to have at any cost. The contracts of the colonists were all solvable in so many units "of value;" never specific. Nor did they ask foreign debtors to so bind themselves, and for the same reason. The only privilege between creditor and debtor, was in favor of the creditor, and consisted in giving him the option to select the article he desired from among his debtor's possessions, at an equitable appraisement. From this privilege were only excepted a few articles of immediate necessity to the debtor.

Again the colonial unit of value, of one average day's labor, seemed to be the best known and most stable from among the units used by the various people the colonists were dealing with. Everybody seemed to understand readily what an article, which required one day's work to produce or make

was worth ; while no one could as readily come to the value of a quantity of gold, silver, copper, wheat, rye, barley or any other commodity, as all of these would ever vary according to supply and demand. And, as a unit is a denominator, which is to determine the value of each numerator, if this unit is itself variable according to supply and demand, the whole fabric of values is based on a waiving point, opening a wide field for speculation on its variations. Every time the material of the unit or the units themselves are hoarded, exported or in any way diminished or increased in quanti ties, the value of all other things fluctuate accordingly. This is a very serious defect in a unit, which should be fixed as the Rock of Ages. As it was, no one could speculate upon the unit of the colony. An average day's labor was always the same quantity and procured always the same amount of a certain kind of wealth ; hence it was the most appropriate to measure all wealth because it could not change the amount of labor in any part of it. Thus if a colonist was called upon to appraise a house, for instance, he would tell with exactness the amount of labor invested in it by his unit. True its commercial value may have been affected, besides, by the law of supply and demand. but the presence or absence of money would not and could not have affected it. On the contrary,

if a piece of metal had been used as a unit, first it would never have given them a statement of the labor invested in the house, next, the abundance or scarcity of the metal would have had the effect of lowering or raising the value of the house in an opposite direction to supply and demand. It will be seen that, in such case, all would have been uncertainty. A last, but not least, merit of the colonial system of money was its sufficiency and adequacy to the requirements of industry and commerce, without any redundancy. The colonists could not have comprehended why a people should be distressed and stop work from the lack of money, and, the limiting by law the material for warrants and merchants certificates, they would have believed suicidal.

This monetary system worked smoothly to the full satisfaction of all classes for many years, without a perceptible defect, except in one instance, which was at once corrected by law. The instance was this: One year, at tax-paying time, a number of colonists could not find warrants enough to settle their tax with. Both the general and local warrants had become suddenly very scarce and high priced in other commodities, on account of the urgent demand to pay taxes. It was soon discovered that wicked men had cornered them to realize large profits. When complaint was made

about the extravagant price demanded, these wicked men had the boldness to assert that "the warrants were no higher than they had ever been," but that "the value of all goods had gone down" They had borrowed the sophistry of barbarians, applicable to gold money, and tried it on the colonial system. Here it revealed its falsehood at once. All could tell the number of days on each warrant's face and all knew also the labor in each article offered for them. Scarcity of warrants could not have the effect here that scarcity of gold had among barbarians. The colonists had not been accustomed to such infernal tricks, and as soon as they discovered this, their wrath rose higher than the value of the warrants. They remonstrated with the Governor and local authorities, and had the law so modified as to make merchants certificates receivable for taxes, and, at the same time, enact a law that "all warrants not presented in payment for taxes within two years from the date of their issue, should be null and void." The warrant speculation was thus stamped out at the very beginning, and it never made its appearance afterwards.

THE SERPENT BACK.

The colony continued to prosper uninterruptedly for many years, when late one afternoon a ragged, fur-clad hunter from the West made his appearance

in one of its towns. He proved to be the Adventurer who, years before, had disappeared with horse and dog. The citizens gathered about him to learn his adventures and talk over old times. He narrated his many encounters with wild beasts and wilder men; the many times he had suffered hunger, thirst and cold; the sleepless nights he had passed in trees and in caves watching for enemies. He described the boundless prairies, the herds of buffaloes, deer and antelope grazing over them; he entertained them with the deceptive mirage, the mountains he had ascended, whose tops were often hid in the clouds and some capped with snow the year around. But when the inquiry turned to "what he had done for himself, what he had gathered during his long absence to support and shelter him in his old age," he could only produce a skin-purse full of yellow sand, which, he claimed to be as valuable property as the accumulations of any of the colonists. These could not comprehend his meaning. They looked at him doubtingly; they examined the sand carefully; then looked at him again; but he reiterated his assertion, adding that in a country south of the mountains, he could purchase a farm equal to the best in the colony with one-half the contents of his treasure. The colonists were amazed, but they could not believe his assertion. A farmer observed

that he would not part with one acre of his land for ten times the sand in his bag. "What could he do with the stuff," he querried. How could he raise food for and clothe his family with it! A blacksmith also examined the sand, and, "upon his life," he emphasized, "it is too soft for any purpose," he said. As for giving a farm or a house for it, they all considered it a huge joke. The hunter had always been inclined to jest, when young, and the habit had followed him to old age, they said. Farmers, blacksmiths, merchants, mechanics and all conceded that the hunter's sand was a curiosity to behold, but good for nothing else.

DISASTROUS EVENT.

While yet listening to and reasoning with the hunter, the Governor of the colony made his appearance and seemed to enjoy the stories of the Adventurer. He had been in the habit of visiting all parts of the colony to familiarize himself with the wants or dangers of the people. This was apparently his object now. He questioned the Adventurer as to the country he had traveled through; the different tribes of savages who roamed over it, their character, habits, manner of living; their weapons, etc. He questioned him about the roads, the river, the people across the mountains, and dwelt especially upon the country

south of the mountains, where the Adventurer had said that his sand was so highly prized. He then examined the sand and pronounced it, as the colonists had done, worthless for any purpose of life; but a curiosity to look at, and he reprimanded the Adventurer in these words: "As you must acknowledge, friend, you have wasted the most valuable part of your life in vain. The world will not be better for your having lived in it. What would be the condition of this colony had a majority of the people done as you did? Here you are, approaching the age of inability to do any manner of work, and no provision have you made to meet it. What have you done for others that they should feed, clothe, shelter and care for you in old age? The stuff you have gathered at the mountains, which you prize so highly and hold to so teneciously, has no visible utility for man or beast, and, if barbarians, south of the mountain, were, as you say, willing to give valuable and useful property for it, you, yourself, know that it was merely the effect of mental delusion and superstition on their parts. On this strain did the Governor continue for a time; then beckoning to the Adventurer to follow him, he lead him out of the hearing of the colonists, under the shade of a clump of trees, where, assuming a pleasant continuance and subdued tone (as the Adventurer himself narrated

in after years), "friend," said the Governor, "I have resolved to establish a NEW MONETARY SYSTEM, over my colony, in which system your grains of gold will come into play. In fact, the project that I have in contemplation, will virtually make you lord and master of the whole colony, as time will show," "but," he added with a wink, "we must be partners in its benefits." "And what is the new monetary system?" querried the Adventurer, elated "Keep cool and listen," replied the Governor, then he continued. "Having left in the early days of the colony, you are not expected to be acquainted with the system established therein since your departure. I the ruler, have been in the habit of drawing checks on "PAPER," upon the colonists for whatever was necessary to support the government. I have now decided to draw these same checks on GOLD. To this effect, I shall have built a suitable factory, where you can bring your sand and have it smelted and worked up into convenient pieces and stamped into checks." "But whose checks will they be?" asked the Adventurer, somewhat afraid that the proposed arrangement might mean confiscation of his gold. "The checks will all be returned to you free of cost," replied the Governor, "and with them you will be able to draw taxes from the people. "I cannot but feel grateful for such bounty," said the Adventurer, "but how will

you and your officials live if you give me the checks to draw the taxes with?" "As well as before," answered the Governor. "I will order the colonists to bring the checks to me, then hand them to my officers, soldiers, contractors and servants to purchase commodities and services from the colonists, as under the present system of paper checks." "I see," said the Adventurer, "by the new system you compel the colonists to pay the tax to me first, in order to obtain the checks, then to you to get them back, making it, of course double." The Governor acknowledged that such would be the case, and that the Adventurer would have it in his power to demand as high a tax as he choosed by simply raising the value of his gold checks. "But what will the colonists say to such a "monetary system?" asked again the Adventurer. "It is not for my colonists to object to any law I pass," replied the Governor with positivity. "They are my subjects and it is their duty to obey.

The sand was taken to the Governor's mint, made up into coins and the coins returned to the Adventurer. Then followed the within

PROCLAMATION.

To our beloved subjects, greeting:

In virtue of the power in us vested, we hereby do proclaim and command that henceforth the

Adventurer's sand, as coined by us, shall be the only LEGAL TENDER article in payment of taxes, debts fines, penalties, etc., and no other money shall circulate in the exchange of commodities and services in the colony.

Let all our subjects heed and obey on penalty of confiscation of their property and imprisonment.

Given under our hand and seal.

THE GOVERNOR.

This proclamation, short and terse, cast the whole of that prosperous and happy people into consternation and gloom. What a predicament! Every one felt that he was at the mercy of the Adventurer, and knew that he was not a man of mercy. Meetings were at once convened in all parts of the colony to protest, remonstrate, petition or devise means of averting or overcoming the dire calamity hanging over them. One of the petitions, which may be taken as a sample of all others, ran thus:

To His Excellency, the Governor:

We, your humble subjects, are struck with dismay at Your Excellency's last proclamation. We are at a loss what to do. No gold has ever been found in the colony. It is not a general product of the earth, and hence unreliable for any purpose requiring certainty, as is the case in a tax to support a government. The Adventurer himself states that it is only found in rare spots of the mountains. If

such a spot was ever discovered in the colony, it would only benefit the finder. The rest of us would be at his mercy. We all feel that this, your decree, puts us under the foot of the Adventurer. Let your Excellency have mercy upon his people, who have ever been devoted and faithful to him. Under the present wise and equitable monetary system, the support of the government is scarcely felt, as we are enabled to supply all its needs directly with our own several products to the officials and contractors, who need them, and we are thus provided, before hand, with the checks to settle the tax. The proposed system compels us to produce the tax-checks before we have them, and forces us to offer our goods to the Adventurer, who needs scarcely any, so that, if he should purchase these goods, it would be only at reduced prices and for the purpose of speculating on you and your officials. Thus we are first placed at the Adventurer's mercy for the checks to pay the tax, then you and your servants would be at his mercy to obtain the goods. What a harvest for him ! What a plight for us all ! How will it be possible to save our property from confiscation under such grave circumstances ! And as for doing away with the "money of the merchants," it is fearful to contemplate. Such money is equal in amount to all the goods we have in the stores. How will we be able to perform our ex-

changes? Shall we part with all said goods to obtain gold, then double our toil to produce others to exchange? And, as population will increase and exchanges with it, shall we, in the future, be forced to produce double the amount of wealth needed, and give away one half of it to get money, wherewith to exchange the remaining half among ourselves? Alas for us and our families. Ruin stares us in the face. Again we earnestly implore Your Excellency to have pity on his subjects and repeal said proclamation.

Remonstrances nor petitions had any effect.

Finding the Governor inexorable, the colonists pressed in crowds to the Adventurer to purchase of him the needed coins, lest, if too late, the bag may be exhausted and the toil of years, the accumulations of a life-time, the most sacred spot on earth, a home, may be lost in one hour.

They found him stiff and haughty. He was well aware of his new position and prepared to use the advantages he held over the colonists.

"He had no use for their products," he said, and he refused to sell his coins, but would ACCOMMODATE them with LOANS sufficient to pay their tax, on condition that they should return the loan before tax-paying time the following year, with an additional sum of six per cent interest, and secure the payment of both principal and interest by a mort-

gage upon their homes. "But," expostulated the people in their consternation, assuming that we obtain all the coins from the Governor through his officers, where is the additional six per cent interest to come from?" "This is indeed a dire calamity that the Governor has placed upon us, and so needless."

"These are my terms," replied the Adventurer. You may accept or reject them as you please. We live in a free country, and every one is at liberty to act according to his or her will. If you do not like my offer, go to the mountains, as I have done, and search for gold there. You will then see what it costs to obtain it."

With dejected looks and hearts full of sorrow, these hard terms had to be complied with. The gold was borrowed, the mortgage given and the taxes paid. The Governor forthwith handed the coins to officers, servants and contractors, who spent them with the colonists for products and services. Immediately on receiving the gold each colonist rushed to the Adventurer to cancel his contract and release his home, but "the debt is not due yet," said the Adventurer, "and I cannot accept payment, unless you pay the interest as well as the principal." This, of course, the colonists could not do. It was an absolute impossibility. So they had to let the debt go to the end of the year, when

they found themselves in a worse predicament. They owed now all the gold they had to the Adventurer, which they could pay, they owed him the interest which they could not pay, and they owed the maturing year's tax in gold again, and all of these possibilities and impossibilities, they were expected to perform by both the Governor and the Adventurer, under penalty of utter ruin. God alone knew what the colonists were to do. Some did succeed in extricating themselves from the difficulty, and paid principal and interest, but they only did so by cheating their neighbors out of a portion of their principal. These neighbors were then unable to even pay the borrowed principal and lost their property. Year after year occurred the same rotation of financial difficulties; year after year losses of property and homes; year after year discouragement and desolation spread over the once happy land.

Space and time fail us to depict the sad story of this doomed colony. How the Adventurer gradually revolutionized the entire business system; how he hindered industry, how he got possession one by one of farms, stores, factories, mines, etc. Matters continued to go from bad to worse, poverty and gloom took the place of prosperity and joy. In a few years the condition of affairs in the colony was deplorable indeed. The Adventurer was

installed in a marble front building, in the center of the town, and had a palace for residence. His business was dealing out gold loans, and receiving the same with an increase. Of course the gold had not increased by being loaned, and only a very few of the borrowers were fortunate enough to pay that increase, as we said, by cheating some neighbors out of a portion of their gold. The other borrowers had lost almost all they possessed and had become renters and wage workers, as they were contemptuously called. These two classes now composed two-fifths of the colony.

GOLD MONOMANIA.

In after years the monetary evil in the colony had become much aggravated by a monomania into which the colonists had all fallen. The shock caused by the Governor's decree, which compelled them to pay taxes and carry on exchanges with gold, and the severe losses they had sustained in consequence of it, had completely overturned their understanding in regard to the essence of gold. One could no longer reason with them on the subject. Terror stricken by the aspect of ruin, if gold could not be found, they had fallen into the fetichism of idolizing that metal, not only as a saviour from ruin, but also as a sort of living, sentient and almost monipotent being, the moving

spirit of industry and commerce, the author of all human achievements, and the fountain, whence flowed all earthly enjoyments. To hearken to gold eulogists in the colony, one would almost have been persuaded to believe that all the blessings natural and artificial, which man enjoys on earth, are due to gold. The gifts of the Creator himself and the toils of man were accounted secondary factors in those blessings. Self evident truths were ignored in behalf of gold. Very intelligent and learned colonists would dogmatically assert that it was gold, not man, that was improving the country, opening mines, running farms and factories, clearing forests, building homes, towns and cities, and carrying on commerce by land and on the ocean; that it was gold that erected school houses and colleges and educated the nation. It was the current saying that "it required so much gold to raise, feed, clothe, equip and maintain an army or a navy and support the government." And here we may remark how one single edict perverted the reasoning powers of a whole colony. Because the decree compelled the support of the government to come "BY WAY" of gold, now they asserted that gold was doing the supporting. We may truthfully say that the colonists had actually come to believe that gold was a sort of divinity, whose assigned duty it was to care for the earthly

welfare of the human race. The living being, man, appeared no longer to figure in industrial development, except as an auxiliary, or appendage, of gold. How much more could truth be perverted and God and man be degraded below a dead useless metal! In all their plans, contemplating future achievements, no notice whatever was longer taken of men, their skill, ability or talent. They calculated solely the amount of gold it would require to perform the work. If the colonists had had millions of the most skilled men and all the materials necessary for any enterprise, no attention was paid to these, but question whether the great Mogul was present? If the answer to that question was negative, they would consider men as a worthless herd, and the materials unavailable things, and set the enterprise down as an impossibility. The infatuation was almost incredible to one who did not live among them. Some of the attributes conferred on gold would cap the climax of all absurdities. We heard learned men say "that gold was the blood which coursed in the veins of industry and commerce and gave them life." According to their imagination, industry and commerce were sort of huge abstract monsters kept alive and moving according to the supply of gold in their veins. "If so," we said, "then the man who draws dribs of gold from industry and commerce, in rent or interest, and

stores it away, or has a watch case, ring or other ornamental toy made out of it, or has a picture frame guild with it, is a veritable demon in human form. He may be likened unto a man who should draw from the veins of his lean neighbors drops of blood, at intervals, and either lay it away to curdle, make a blood pudding, or sprinkle his victuals to gratify his beastly palate." And, when we looked at the gaunt, pale and dejected countenances of those who were bled by interest and rents, we almost concluded that facts verified the comparison.

It is doubtful whether any ancient people, in the darkest days of idolatry and superstition, ever had as strong a faith in their most sacred idols, as the colonists had in gold. Really the worship of gold might properly have been considered the only universal religion in the colony, and, as long as it continued, it was folly to attempt to inculcate the spread of any other, for the good book says:

"Ye cannot serve two masters,"

"Ye cannot serve God and Mommon both."

As the result of this mental derangement of the colonists, in the absence of gold to stimulate them, industry and commerce would cease, progress stop, the soil seemed to have lost its fertility, steam its power, electricity its velocity, light its brightness and man his physical strength and men-

tal cunning. Machinery would lay rusting and men and women move about in desolation and want. Does it seem possible that one single decree would have brought with it such dismal train of evil consequences? In this condition, of course, the Adventurer had the colonists completely under his control. If he desired anything done for him, he would arouse a few colonists by the alluring offer of a little gold, put them to building houses, for instance, then rent the same to them for a few years and get both houses and gold back. The benighted colonists would then thank him for having "given them employment," and fall back in their lethargy, which they called "hard times." These were times when nature was as open and as inviting as ever, but gold was absent. Consequently employment of labor, and exchange of products, could only extend as far as there was gold to employ or buy. Whatever was done beyond the lump of gold to be thus "invested," was called "overproduction." The portion of gold which the Adventurer invested, during the year, to employ labor, was, learnedly, called "wages fund," and it was asserted that no more men could be employed than this "wage-fund" extended. So did they maintain that no more products should be exchanged than there was gold to exchange them through. All beyond was called "overtrading"

and dangerous to prosperity. And really, when we looked at things as they stood in the colony, it was actually dangerous to buy, make or exchange more goods than there was gold to pay for them. If this rule was violated, the seller was liable to lose and the buyer be ruined. Dealing in cash, meaning to the limit of gold, became the only safe method of business. But, of course, dealing in cash was limited to those who had gold and the quantity they possessed. It had no reference to the wants and desires of the colonists. Thus every movement was measured by gold, or the supposed ability to obtain gold at stated times. No wonder that millions worth of goods were moulding and rotting unused, and millions of men, women and children were suffering from want of them ; that millions were houseless, foodless and almost clotheless, and yet these millions laid in idleness, lamenting that there was no demand for work. What else could be expected from crazy people? When they had supplied the Adventurer and his craft, with what houses they wish to use or rent, as well as with all the comforts they desired, they fell back in idleness and want. We often asked them "why they did not go to work?" "There is no demand for work," was the ready reply. If we pointed to the very many in need of almost everything, and said, that "there appeared to be plenty of work to be done

yet," they would cast a stolid, inquisitive glance at us, indicating plainly that their minds were not right on these subjects and say, "do you not know that these poor, foodless, ragged and homeless people have no gold to pay for work?" We ventured further. "Admit that these poor people have no gold, is that a valid reason why they should not have food, clothes and a home to shelter them?" "We told you, that having no gold, they cannot pay for these comforts," they would instantly reply, holding the same stolid gaze on us, as if impressed that we lacked understanding. "Why do you not, we mean all of you who are poor, but able to work, help one another, and in this way raise your own food, make your own clothes and build your own houses?" we added. At this question, there seemed to appear a glimmer of returning reason over their countenances, as some fell into a pensive mode, but it would soon pass away and be followed by the same persistent hallucination that "nothing could be done without gold," then turn from us in disgust, as if our questions were boring them. We once ventured to tell the Adventurer, that it was a pity, that the colonists had fallen into such a delusion regarding gold, as there would never be gold enough to employ them. He replied that "there was plenty of gold, and anybody could get it, if he had anything to give or pledge for it."

This was cruel irony on the poor colonists.

Despairing of ever witnessing a return of the old prosperity in the colony under such depressing conditions, we left the colonists to their fate.

A CHANGE.

On our return to the colony, after an absence of several years, we were greatly surprised at the numerous and extensive improvements which had already been accomplished, and many more in process of execution. They had actually built large cities and magnificent palaces and parks within those cities, had built numerous towns and countless houses all over the country, and were working mines, foundries, rolling mills and large factories of all descriptions. They had built railroads and telegraph lines, and extended the colony, and its improvements, in all ways, far beyond our most sanguine expectations previous to the tyrannical decree, which had enslaved the colonists to the Adventurer. Naturally, we were anxions to learn how all these improvements had been accomplished; how the colonists had regained their reason in regard to gold, and how they had freed themselves from the Adventurer, and had been enabled to reach such achievements.

"How was all this done?" we inquired.

"By the industry, skill and energy of the people,"

we were answered. We could but believe it. What else could have performed such industrial wonders? Not certainly a dead metal, no matter how precious a stone it may be supposed to be, or what the superstition of a people about it.

Just then there happened to be a large conference of a class of people they called bankers. We attended the conference both through curiosity and information. One of these bankers made a speech, in which he said "Here are assembled the men who built our cities and towns, our railroads and telegraph lines, and made all our gigantic improvements, Here are the men who carry forward our immense commerce overland and on the ocean; these are the men who opened and run our mines, our factories, etc.," and he went on in this strain. We looked over the crowd of well dressed men, and it did not appear to us as if they were house builders, railroad contractors, timber cutters, mine diggers, weavers or mechanics. In fact, when we succeeded in seeing the chair, we spied the Adventurer himself presiding over the assembly, and, if he was to be taken as a fair sample of the balance, it was evident that none of them was engaged in any useful occupation whatever.

"How did these men perform such great deeds as their speaker stated?" we inquired of one. We were promptly told that these men did no manner

of work at all. "But their speaker said that they were the very men who made all the improvements in the colony, and the crowd applauded him as if he was telling the truth," we added. Our informant stated that the speaker meant that they are the men who paid the workmen to make the improvements. "How did these bankers find gold enough to employ, and pay, so many men?" we asked further. "They did not pay them with gold," he replied, "they paid them with bank notes." "What sort of a thing is a bank note?" we troubled him again. He was kind to explain to us a bank note. It appeared that, some years before, when the colonists, under the gold hallucination, would not sell anything nor work unless paid for with gold, and consequently everything was dragging because of insufficiency of gold to do business, the Adventurer made an invention. They say that "necessity is the mother of inventions." It proved true in this case. Finding that his gold fell far short of his greed for wealth and power, even at the enormous price he was charging, and that it had not grown by interest, he had duped the colonists to believe that he had vast amounts of gold in what he called his vault, (by this he meant a sort of a cave, containing an iron box, under his marble front store, which cave he kept locked to prevent fire from burning the gold). Under this belief, he had in-

duced the colonists to sell him goods and build him houses and railroads, and accept, for a while, he said, little strips of paper, (bank notes), in payment, in the place of gold, which, he said, had better be kept from danger of thieves and fire. These notes, he told them, would answer the purpose, would be lighter to carry, and just as good as gold, because the bearer could always get the gold at the bank, if wanted, dollar for dollar. To strengthen faith in them, he had stamped on the same notes, the words "redeemable in gold;" then, to fully establish and keep up the deception, he did actually redeem what few notes came to the bank for redemption, with a little gold he kept on hand for the purpose called "reserve."

The scheme gradually became fixed and worked to the full satisfaction of the Adventurer. The workers and traders began to pass these notes among themselves and, when some one seemed to be in doubt as to the redeemability of the notes, he was induced to step in the bank and would be satisfied. Finally the testimony of some strengthened the faith of all, and very few notes would come to the bank for redemption.

These "redeemable notes," were afterwards called, by eminent writers, who are always intent in giving names to things, "representatives" of gold, and proved a greater bonanza to the Adventurer than

his bag of sand. They saved him the time and risk of going to the mountains, cost him no labor, there was no end to their volume, and, by calling them "representatives" of gold, enabled him to purchase as many goods, hire as much labor, and charge as much interest, as if they had been true gold. Fruitful invention! We made bold once to ask the Adventurer "how his conscience could permit him to appropriate unto himself the goods, the toil and the homes of poor colonists for such trifling thing as a mere strip of paper. He replied, with the utmost indifference, that those who got his strips of paper, could buy as many goods, hire as much labor and get other homes. "Yes," we said, "but that is the business of the colonists how they exchange goods and services with one another. What have you to do with such exchange?" we asked. "You have neither goods nor work to exchange with them." He declined further argument on the subject and hinted that we were a "communist," in order to alienate the colonists from us. You could see that he feared lest they might discover the part he played in the game. The colonists made everything, even the paper that his notes were printed on, then gave him millions worth of goods or paid him interest for the use of them. Had they studied the trick, they could have made the notes in partnership and use them free of

cost, as their colonial ancestors had done. As for the "redeemable" part of the notes, it was but a humbug and a snare, as the future proved. Yet, we must admit that, bad as it was, the bank note invention proved beneficial to the colonists also. They would have starved, if they had continued in their stubborness to work and trade only as far as they had gold to do it with.

With the "bank notes," if the Adventurer received the lion's share of the goods and improvements, the colonists could, at least, live, wear coarse clothes and be sheltered in a rented house.

So "bank notes" had become one of the institutions of the colony. In a book, printed at that time, we read a paragraph boasting of the great increase of wealth and population in the colony. The writer attributed the increase of wealth to the invention of bank notes, and the increase of population to the discovery of vaccination. The one, he wrote, kept the colonists at work, the other prevented their children from dying of small-pox.

The Adventurer issued millions and millions of these "redeemable" bank notes, although he did not have gold enough in his vault to redeem one in ten, and he became a millionaire. He had to resort to all manner of tricks, however, to prevent the colonists from bringing the notes to the bank for redemption and thus discover the fraud. The

main one of these tricks was this: By permission of the Governor, he had located a bank in almost every town in the colony, and each of these banks issued "redeemable" notes. Now one of the craft would start from his town, at one end of the colony, with a carpet-bag full of his notes, carry them to the other end, and exchange them for the notes of another bank, which he carried home with him, to be loaned and circulated in his neighborhood. The same was done across the colony, so that when a colonist held a bank note and wished the gold for it, he would have to travel hundreds of miles to get it. The banker in his town would not redeem it because, he would say, "it was enough for him to redeem his own notes." Meantime, while all this flock, or cloud, of bank notes was scattered and moving over the country, the colonists worked, fed and clothed themselves, by exchanging products and work, through the notes, and the Adventurer and his craft absorbed all the surplus in purchases, interest and foreclosures.

One point about these "bank notes" that we must notice, is that, while pretending to be "representatives" of gold, and, as such, claiming the same price in goods, services and interest, they lacke the very quality which had made gold such a power, viz: they were not legal tender in payment of taxes and debts. The Adventurer did not

want them to be "legal tender." Had he so desired, the Governor was his associate, and would have readily granted him a decree to that effect. But he desired the notes only good to go "into debt," and not to come "out of it." It had always been his policy, ever since he was made lord of finances, to make the road "out of debt" as narrow and as difficult as possible. If gold had become very abundant and easy to obtain, he would have had the law changed, and have had diamond, or some other rare substance, decreed legal tender in the place of it. The Adventurer was determined that the colonists should be forced to buy his gold, at whatever price he might fix on it, before they were able to come out of debt. He well knew that, if debts were all paid, he would lose his greatest harvest of wealth, all his revenues.

At times some thinker among the colonists would catch an idea from this "bank note" scheme, seeing how they answered all the purposes of gold in employing labor and exchanging products, and would suggest that the workingmen and merchants issue the notes themselves, and in this manner cut loose from, and stop paying tribute to that fifth wheel to the industrial wagon, the Adventurer, and thus hold the property which they were losing by receiving and borrowing the notes from him. But such thinkers would soon be silenced by the

" unanswerable " argument, generally originating in the Adventurer himself, that " the workingmen and merchants had no gold to redeem the notes with." Meantime he was secretly chuckling to himself over the stupidity of the colonists ; publicly he made his appearance richly attired, with a pleasant, yet supercilious, countenance and a stiffness of person which was interpreted " well heeled."

This was his policy to better impose upon the credulity of the colonists as to his ability to " redeem " the notes. He was now solid ; yet the fear that the workers and merchants may, some day, see through the note imposition, haunted his mind constantly. Finally he hit upon a scheme to prevent it. He had his associate, the Governor, to issue another decree, ostensibly to protect the colonists againt the Adventurer, but in reality to give him the monopoly of issuing bank notes. This second monetary decree ran thus :

Whereas, It is absolutely necessary that our beloved subjects be "protected " in the redeemability of circulating notes ; and

Whereas, The Adventurer and his craft are the only persons who possess gold to redeem said notes with

Therefore be it decreed, that no one in the colony, who is not a banker, shall issue notes to circulate as money under severe fine and corporeal punishment.

Given under our hand and seal, this year of the second persecution, etc.

This decree vested the monopoly of the note business, which had now become immense, in the Adventurer and his lucky craft.

PERIOD OF PANICS.

Having secured the monopoly of "redeemable bank notes," the Adventurer and his craft (who had become somewhat numerous), set earnestly to issuing these notes, buying property, employing labor and loaning them to enterprising men at interest. Soon they had $46 millions out, for which they held good, substantial wealth, or well secured personal notes of the colonists bearing interest. The Adventurers' notes, in the hands of the colonists, were not secured at all, and bore no interest. Strange to say, the Governor himself borrowed these bank notes and placed the colonists under bond to guaranty their return with interest. At first the Governor borrowed six millions, then $20 millions, and continued to borrow until he had borrowed $48 millions. In the meantime the colonists had borrowed $100 millions in all. In a short time a great part of this $100 millions had already been paid back in interest and the place of every dollar, that had been paid back, had to be filled with a gold dollar, when the note became due. Now the Governor ordered the colonists to bring in $12 millions

notes, which he had promised to pay to the Adventurer. If the colonists had come together, with all the notes they held, they could not have paid half the debt owing to the Adventurer, yet every payment of interest, or tax for what the Governor borrowed, made matters worse. This gloomy state of affairs was aggravated by all the debts the colonists owed to one another, which were all payable in gold, if the creditor demanded it. There came a slight fear that there might not be gold enough in the bank to meet the possible demand. It made many holders of the bank notes rush to the bank for redemption, and the Adventurers, not having one dollar in gold for twenty of outstanding notes, closed the bank doors, and the colony was thrown in, what is called, a financial panic. Then the "redeemable" bank notes were selling among the colonists at 20 to 50 per cent discount.

Did the Governor do a thing to protect the people? Did he make the Adventurers redeem the notes? Or, if they did not redeem the notes, did he make them give back to the people, the property they had obtained for the notes? No, the Governor did neither, but let the people suffer all the losses, and the Adventurers reap the benefits of the panic. It proved a great harvest to them.

A period of depression followed. The Adventurer again issued notes. They knew that the colonists

"had" to take them or fare worse. Gold was out of the question. Again the colonists pushed work and improvements and took bank notes in payment. The Adventurers took the improvements for the notes, which cost them nothing but the paper and printing. The colonists always giving real wealth for mere paper, yet paying interest to the Adventurer besides. Such infatuation is beyond the bounds of reason and common sense, yet no argument of ours could draw the colonists attention to it.

The Governor, for a time, had been in the habit of receiving bank notes for taxes. Now he singled out some favorite Adventurers and ordered his officials to receive only the notes of these, or gold, for taxes. This order made the colonists rush to the favorite Adventurers to borrow notes to pay taxes with, and "such was the pressure to obtain them, says another witness, that these favored Adventurers could not sign them fast enough."

When the Governor had collected a large amount of these notes, he became afraid himself that these favorite banks would not be able to redeem them, should he need the gold. So he appointed some of his friends to go and examine the gold in the vaults, but, Lord bless him, these friends "would not" go. They were in partnership with the Adventurers. One John Randolph told the Governor that "he

might as well send men to preach Christianity in Turkey, as to send them to investigate the affairs of the Adventurers." They were the lords of the colony, not the Governor. Then the fear of the Governor increased, and with it that of the colonists. Another rush was made to have the notes redeemed, another suspension of the banks and another financial panic followed. The Adventurers were now as rich as Crœsus. They lived in magnificent palaces and reveled in luxuries. Rile's Register, published at that time, says that "the prodigality and dissipation of some Adventurers were beyond belief. "We heard," says Rile, "of the furniture of one single parlor costing $40,000. In all great cities it was dash, dash, dash. Miserable miners and speculators converted into knaves of rank, through that abominable system of "redeemable (?) bank notes." But how with the colonists? Read the same paper. "20,000 persons were seeking employment in one city alone, and a similar condition all over the colony. Wheat was 20 cents a bushel. A man stopped his paper, because, before the panic, one barrel of flour would pay the subscription one year, now it took more than three. Everything else low in proportion. Schools closed and school books were a drug. Wages very low at half time. The papers were full of advertisements of sheriff's sales, and contained numerous accounts

of riots, incendiary fires, frauds and robberies. The distress in the colony was intense."

This panic lasted four years. During that time the Adventurers bought some of their own notes at $2.10 for $1.00 in gold.

Examples like the above, it seems, would have put an end to the "redeemable bank note" fraud; but on the contrary, such had been the sufferings of the people in those four years, that when the Adventurers offered them work, if they would receive "redeemable bank notes" in payment, they accepted the offer, and went to work again for them. It is indeed astonishing to what a degree of suffering and subjection a monetary craze may carry a people. Religious superstition is not comparable to it.

The Adventurers had their free slaves, as we may properly call them, building houses, running factories, improving farms, etc., for them. This time, however, business did not continue very long. The memory of the last panic was too fresh in men's minds. The Adventurers kept issuing notes; but the colonists brought them back as fast to the bank for redemption, so that they could not put out many, and another panic soon followed. This one, coming immediately on the heels of the other, from which most of the people had not yet recovered, threw the colony into outer financial darkness. No one knew which way to go; no one knew what to

do. Ruin was all around. In spite of such terrible lessons, the Adventurers began again to issue notes, and the starved colonists went to work and took them in payment. To increase the evil, foreign Adventurers, seeing what a harvest "redeemable" bank notes had been to our Adventurers, came over to bank on a few grains of gold, and the two together flooded the colony again with the same.

"Now," says an historian, "came the era of greatest development in the colony." The combined Adventurers pushed the issues of "redeemable bank notes" and the benighted colonists pushed the construction of railroads, set in motion many industrial enterprises, enlarged cities and towns, extended improvements westward, established an immense commerce, and the whole colony was made to echo and re-echo with the din of industry. Providence se med to take a hand in the general movement and blessed the colonists with abundant crops.

But alas! the colonists, as usual, had taken the paper in payment, the Adventurers had taken the railroads, the houses, the factories and other improvements. At last, also as usual, the banks proved to have no gold to redeem even the few notes which had not been brought back in interest, and another terrific panic was the result.

Read a sketch of this panic by an Adventurer himself: "In March the colonists held meetings to devise plans for relieving the distress. They decided to send a committee of fifty to the Governor. In their address to the Governor they said: "The value of real estate has depreciated $40 millions in six months. We have already had 200 failures in one city alone. The immense amount of merchandise in our stores has fallen in price at least 30 per cent. Within a few weeks no less than 20,000 able workingmen, depending on their daily work for their daily bread, have been discharged because there was no money to employ them. We therefore ask whether it is not time to interpose the paternal authority of the Governor and bring back gold in the channels of trade (alas the delusion! How could the Governor bring back gold?)

The Governor could not be induced to do anything whatever against his associates, the Adventurers. So the colonists made a rush to the banks for the little gold they had there on deposit. The Adventurers had loaned this out and closed the doors against depositors also. Thus note holders and depositors were left out of doors penniless together.

Again, did the Governor protect the colonists in the redeemability of the notes, as he had pretended to do in his last decree, giving the Adventurer the

monopoly of the notes? Never in one instance did he as much as think of doing so; but in all instances he protected the banks. Now writers in the colony asserted that money panics were due to the "extravagance" of the people. They said that it was wrong and unsafe for a people to stir up and undertake to build railroads, houses, factories, improve farms, raise large crops, etc., when there was no gold in the country. "What would you wish them to do?" we asked of one of these authorities. "should a people remain idle and starve, because there is no gold?" Their answer was evasive, but implied that a goldless people had better go slowly, plod along on the safe side, which was the suffering side, and await the arrival of the "precious metal."

"Did not the people create wealth when they were at work?" we asked them further.

"Yes," replied the authorities, "but it was only fictitious wealth."

"Indeed," we added, "are not the railroads, the houses, and factories they built, the food they raised, the machinery, implements and clothes they made, "real wealth?" But we talked to no effect. Those great men believed that nothing could be real wealth which is not paid for with gold.

Meeting one day a great man, Webster, who was considered high authority, we asked his opinion of "redeemable bank notes." He said that "of all

contrivances for cheating the laboring classes, paper money was the worst." "It is the best invention," he said, "to fertilize the rich man's field by the sweat of the poor man's brow." "In fact'" he added, "it is worse than ordinary tyranny, oppression and overtaxation combined." But how would it be if the laboring classes should issue notes themselves, and thus hold the property they create, instead of handing that property over to some idle Adventurer and take his worthless notes for it?" we asked of him. Here he fell into the common error.

"It cannot be done," he answered. "The Governor's last decree forbids it. Besides the holders of the notes must be protected in their "redeemability (?)" and the working classes have no gold to redeem them with.

Always the same sad hallucination. It had pervaded the brain of all in the colony, learned and ignorant, great and small.

GOLD DISCOVERIES.

The situation in the colony was now such that the old prosperity could only be restored by one or the other of two events. Either a miracle, which should restore the minds of the colonists and induce them to return to the former colonial monetary system, or the discovery and acquisition of a

sufficiency of gold to meet all contingencies It appeared that the latter event was at hand.

In February, 1848, little Miss Marshall, found a yellow pebble at Sutton's mill, on the colonial branch of the Sacramento river, in California. The pebble proved to be gold. The news spread like wild fire both through the colony and the Old Country. It created the greatest excitement we ever witnessed. Had the people been at the verge of starvation, and some prophet announced that Heaven was about to pour down manna, it would not have brought greater joy. Young men, by the thousands, hurried to make ready to abandon parents, friends and home and fly to the gold region; husbands and fathers felt bound to leave wife and children, in the hope of realizing gold enough to lift them from the pangs of poverty and want. Everybody was in commotion. "To the mines!" "Are you going to the mines?" "When are you going to start?" were the universal cries, the constant questions, the general topics of conversation. Such delirium of gladness, such glow on countenances, such farewells, such embraces, such flow of joyous tears never were seen before in the colony. Imagine a multitude, who had given up almost all hope of enjoying the commonest of earthly comforts, to see, on a sudden, a fortune flash before their eyes. So, to the mines they went until the

colony seemed to have lost half its male population. By August, of the same year, thousands and thousands of persons were already at work mining after gold. Meantime discovery followed discovery among the mountains, so that the Adventurers at home trembled lest their gold should become valueless, and were already discussing among themselves what other rare thing could be made legal tender in the place of gold.

A short period after the discovery of Miss Marshall, gold was also found in abundance on the other side of the earth, Australia, and there also poured men from all parts of the world.

Thank God, we exclaimed, on hearing the cheering news, salvation from financial troubles is indeed at hand. We are entering an era of gold. Since it seems impossible to arouse the colonists from their gold delusion, they will at least soon have an abundance of the stuff to keep all of them at work, and make themselves prosperous.

We remained in the colony in the hope that, at the return of the miners, we would witness a true revival of business, in which the colonists would enjoy all the benefits, independently of the Adventurers and their "redeemable bank notes." Of course we well knew that, if prosperity ever returned, it would be due entirely to their own work at home, and not to the holes they dug in California

or Australia, nor to the gold they extracted from those holes. But there seemed to be no other way to arouse them from chronic lethargy, except by pandering to their gold monomania. "Redeemable bank notes" issued by the Adventurers, had proven so great a field of robbery, that they had lost faith in them, and only received them when actual necessity compelled them to do so. In fact, as we quoted, their most trusty friends, (who, alas, were equally affected by the gold delusion), advised them to let such notes severely alone. They had, however, passed so many years of oppression, robberies, depression of spirit and suffering, all due to that one horrible decree making gold legal tender, and the consequent loss of mental balance, that we would have participated in the general joy.

Alas! we were doomed to disappointment again. Now and then one of the miners would return, bringing with him gold enough "to keep him," as he would say, "the remainder of his days," and would at once join the craft of Adventurers. The largest number had either perished, or remained at the mines, ashamed to come home poor. These replied to letters from friends, who invited them to come home. "What is there for us to do at home? Business is dead. There is no money in circulation, and, if we work at all, we have to take worthless paper strips for it, and finally loose

the whole." So they remained at the mines, catching jobs for a living. A few more managed to make their way home sad, dejected and poorer than they had left. Before leaving for the mines, they sold what little effects they could spare, now all was gone and nothing remained but the open arms and welcome of friends.

"What became of the gold which was mined?" we inquired of these returning miners. "It all went to pay expenses," they replied. "Everything was so high that but few had any gold left." "What did merchants and provision men do with the gold you paid them?" we asked further. "Some are rich and loaning money," they answered, "but the largest portion are poor, and many have been sold out, root and branch, by the sheriff." How can this be! who got the gold? who sold them out?" we querried. One of the most intelligent among the returned miners explained to us that "as soon as the miners began to arrive at the mines, merchants, mostly from England, arrived also with vessels loaded with provisions, clothes, tools, implements, machinery, powder, fuse, etc., all of which we were bound to purchase at their own prices. These merchants had borrowed money of English Adventurers to purchase these things and pay freight on them, and, when we complained of high prices, they told us that "interest" and freight

absorbed all the profits. "Heaven help the people!" we exclaimed in astonishment. So Adventurers in England absorbed all the gold at last. What will ever become of the colonists? Where is any hope left for them?

Thus, at the very time when we expected the colony to be flooded with gold from the mines of California and Australia, just when we expected to see the colonists pay off the mortgages yet hanging on their homes, just when we believed them about free from the Adventurers, only nine years from the discovery of little Miss Marshall in California, and only three years after the discovery of gold in Australia, such was the scarcity of gold in the colony that the Adventurers, with all the help from the few fortunate miners who had joined them, could not redeem the few notes presented to their banks, and the colony found itself involved in the most terrible panic that had ever happened before. Thousands and tens of thousands lost all they had in the world and were beggared for life.

Read a description of this other panic by one of the Adventurers. He says:

"Up to August our commercial affairs were generally prosperous. Farmers, stockgrowers and planters had been made rich by high prices. (It was work had made them rich, not high prices). With the immense productions of the year at our

doors, the most sagacious of Adventurers saw no indications of a storm in the financial sky. On the 8th of August the Adventurers had loaned out 122 millions of "redeemable bank notes." Such amount made them afraid that the colonists may bring them for redemption, so they stopped loaning; meantime they called in the debts. Debtors were at once compelled to press produce on the market for sale. Produce fell in price. A produce house failed. One failure brought another, and on the 24th of August a great Adventurer suspended. It struck the public mind like a cannon shot. An intense excitement was manifested among all the Adventurers. Then failure followed failure and the colony was characterized by intense excitement. Bank notes in circulation stopped passing. At the end of August, another great Adventurer closed his bank, and went to loaning in the street at 5 per cent per month. House after house of high commercial repute went down, and many banks were added to the list of failures. Meantime work and commerce came to a dead lock; the purchase and transportation of produce ceased almost entirely.

From this period nothing was wanting to aggravate the common distress fo money. The avalanche of failures swept down merchants, bankers, (yes, but these only suspended, they are not sold out by

the sheriff,) corporations, manufacturing companies without distinction. Old houses with accumulated capital, which had withstood the violence of former panics, were prostrated in a day. In the middle of October all the banks closed. It was the climax of this financial hurricane.

Such is the outline of the most extraordinary, violent and destructive financial panic ever experienced in the colony.

Another witness of that panic calculated the losses suffered by the colonists at from half billion to one billion of dollars, besides the incidental losses by the stoppage of business, when millions of idle laborers lost millions of dollars daily. He adds that "such losses are fearful to contemplate in figures. How much more the reality of it if it could be brought, at one glance, under the eye! The grave of many fortunes, the gulf which has swallowed up the competency of thousands; the homes, the comforts, the food, the raiment of millions, who toil with their own hands for their daily bread. The whole colony, suddenly and most unexpectedly, plunged into indigence and grief."

Behold the good the gold mines brought us!

The last writer quoted says that "the panic lasted one hundred days." It is lasting yet. Many have never recovered from their losses. He means that it took one hundred days for the Adventurers

to close the mortgages and gather in the booty; for, be it remembered, that monetary panics do not carry away or destroy one single atom of existing wealth. After the panic all the wealth, which existed before, is there yet, but it has changed hands, it has passed from the hands of the many producers, into the hands of the few Adventurers. Then the victims are charged of having brought about the panic by their "extravagance." Alas! It is that abominable legal tender decree which belches out more destruction than the outpouring of a volcano.

Under the old colonial monetary system panics were absolutely impossible

After the last panic, the most melancholy period ever witnessed by the inhabitants, fell upon the colony. There was neither enterprise nor spirit enough left to bring it. The colonists were utterly discouraged. A dark pall seemed to have fallen over the land. Gold was out of the question. No help could longer be expected from the mines. The hard working farmer, reduced to the necessity of borrowing from the unfeeling Adventurers, at enormous rates of interest, was soon forced to give up his new home and move with his family still further in the wilderness. Wage workers were tramping the country in poverty and gloom. The distress was universal. And all of this, as we said, at the

period of the greatest production of gold that had ever happened in the world before or after!

AT THE MINES.

May it not be interesting to the reader to learn how affairs had gone at the gold mines, and how it happened that the more gold was dug, the scarcer it seemed to become in the colony, and the harder the money trouble? We give a description of one mine by friend Patterson. He writes:

"The spot was a deep ravine formed by the Buckland River, enclosed by steep mountain sides, which excluded every breath of wind. The air in the ravine was stagnant, and the scorching sun made it intensely hot during the day, while at night the temperature fell to a piercing cold, so that the miners in the ravine were, alternately, in an oven and in an ice-house. Moreover, as the gold beds lay in the channel of the river, the miners worked up to their waists in water. To this gold field of surpassing richness, hundreds of Adventurers had flocked in feverish haste; but the disease kept horrid sentry over the buried treasure. A peculiar fever, of the typhoid character, was the denizen of the spot; besides which the gold seekers suffered severely from the eye-blight, owing to the concentrated blaze of the sunshine reflecting from the steep sides of the ravine, and they were

at all times grievously tormented by clouds of flies. Bad diet and want of vegetables aggravated the disease natural to the place and to the kind of work. In the interesting accounts which reached us, we read of onions selling at $1.50 per pound; cabbages so precious that they were cut up and sold at from 60 cents to $1.00 per pound. Holloway's pills selling at 25 cents each or $5.00 per box. It was a valley of death. Constitutions, that had borne the hardships of other fields, broke down here, and hundreds perished, unattended and unknown. The little levels between the stream and the base of the mountain wall, for ten miles along the valley, are so thickly studded with graves that the river appears to run through a church yard. One new comer, a little wiser than the rest, counted eleven corpses carried past his tent during the dinner-hour of his first working day, and thinking that even gold may be purchased too dearly, left the place instantly. Many abandoned it after somewhat longer trials. But the greater number fascinated by the universal richness of gold beds, remained in defiance of disease and "took their chance." With what result, the numerous graves of the valley witness to this day. It was a scene "to point a moral or adorn a tale." Yet it was only one among the thousand instances, whether we follow labor to the mines searching for the dross

in its natural state, or witness the hard struggles of labor, a hireling or independent, to obtain it in dribs as wages or profits in a coined state. Could we for a moment divest ourselves of prejudice, and behold men, in myriads, rushing across oceans and continents to the gold fields of California and Australia, waste places in the uttermost part of the earth, watch them toiling in the gulches of the mountains, amidst all manner of hardships and disease, beset by extremes of weather, exhausting work, exorbitant prices for all the necessaries of life and lawless society, and all this to obtain a yellow substance, which is not fit for food, clothes, medicine nor shelter, we could but infer that either men have lost mental balance and gone mad, or that there is some hidden power in gold," (Mr. Patterson had forgotten the legal tender decree.)

In the colony affairs were now, after the last destructive panic, as we stated, in a more deplorable condition than they had ever been before. The tribe of Adventurers, though few in number, owned most of the houses in cities and towns, owned most of the farms, all the railroads and telegraphs, all the leading mines, and held mortgages on most all other real estate. Farmers plodded along making a scanty living, as those, who needed their products, had but little gold nor bank notes to pay for them, and mechanics either worked for

what scanty, meager wages they could obtain or, tramping the land in quest of work, were looked upon as vagabonds and criminals by the public.

We had almost made up our mind that the whole colony would finally go irreparably to ruin, unless in a short time some extraordinary event would awaken the colonists from their gold lunacy, or some evil day, in outer despair, they would rise in their mad fury, make for the Adventurers, and, may be, the Governor himself, and wipe them both from existence in a twinkle. We earnestly hoped that they might return to their reason, but began seriously to fear the latter solution. Feared it, we say, because loud and ominous mutterings from the ranks of the working classes were beginning to fill the air.

GOLD IN ENGLAND.

One night, unable to sleep, while pondering on the future of the working classes, there came across our mind a desire to learn what became of the gold that was carried to England, and how the toiling masses fared there. Surely, we thought, they cannot be suffering from want of employment, as there is plenty of gold to keep every man, woman and child constantly at work. Next morning, we wrote to our friend Patterson, who was then in London, and he kindly favored us with an essay that he had just published on the subject. "It is astounding!" we exclaimed after reading that essay. "What will ever become of poor humanity, if this gold infatuation continues?" If the poor cannot rise above their idolatry, or the Adventurers do not melt to pity them, the world will soon be but a vast herd of hungry cattle driven by a few unfeeling masters. Here is friend Patterson's essay and letter accompanying it: "Dear friend: It gives me pleasure to gratify your desire in reference to the gold which is being poured upon us from all parts of the world, viz: what value we put upon the

stuff, and what use we make of it in our exchanges. I do this by mailing you a short essay which I have just published. I hope it will be satisfactory.

VALUE OE GOLD.

One cubic foot of gold weighs 1203⅔ pounds. The same will coin into $369,124, in your money.

"At $2.00 per day, this twelve inch block of gold would keep one man employed 600 years, 18 generations; ten men 60 and 100 men six years. Think of one hundred men toiling six years for a rock one cubic foot in size and board, clothe and house them all the time!"

"If this block of gold was put at interest, as the superstition goes, in 600 years it would possess the world. This may seem a paradoxical assertion, yet it is of such a character that the truth contained in it affects the weal or woe of mankind. This rock is really placed at interest, and is fast absorbing all the products of labor and handing the workers over in bondage to the money power."

"When we had slavery in the British colonies, that twelve inch block of gold would purchase 800 human beings. In many parts of the earth, to-day, it will purchase a larger number of slaves, and in semicivilized countries of the East it will buy harems of women."

But let us leave this horrible comparison of

human being, and the toil of human beings, with a lifeless rock, the which is too sad to hear of all around us, and come to the object at hand, viz: the function that gold performs in the world of exchanges, and what effect it has over the activity and well being of man.

COMMERCIAL USE OF GOLD.

Gold, in highly civilized nations, like England, has long since ceased to circulate as money among the people. Some mysterious power (it is interest) draws it to the banks, there to be buried in fireproof vaults. Here let us pause and ponder a moment upon the immense sacrifices made to extract gold from its native hiding places in California, Australia and elsewhere, how much labor has been spent, how much suffering undergone, how many graves prematurely filled in that "valley of death," on the Buckland River and other places, all for the apparent purpose of burying it again in artificial caves in banks!

Inconsistency of man!

The largest of these banks, those which enjoy government privilege and patronage, hold an average of 250 millions of dollars of gold. This amount is equal to 670 cubic feet, and would fill a room nine feet cube. Great nations possess each an average of $600 millions, or a "twelve

feet cube." Behold the block which is universally believed to uphold the fabric of industry and commerce, and hence the prosperity of great nations, and, without which, all other natural and artificial resources are made unavailable! Verily, if Jupiter ever ruled the Heavens, gold rules the earth.

WATCHING THE GOLD BLOCK.

Let us now go to "Plutus temple," the bank, in the "sanctum sanctorum" of which gold is sacredly kept, and examine what functions it claims to perform in exchanges. For this purpose we will select the greatest of all banks in the world, viz.: the Bank of England, located in London, the capital of the Empire.

London contains a city within a city, and within the inner city is yet another, the very heart of this metropolis. It is a small place. In a couple of minutes you may walk across it from side to side and from end to end. Yet it is the center and citadel of England's greatness, the heart whose pulsations are felt to the furthest extremities of the earth. The occupants of this precinct have dealings with all the world. From this spot proceeds the power which helps on (?) the civilization of the globe (accordingly teachers of morality, professors at our universities, inventors, etc., are not the instruments of civilization, no, "civilization proceeds

from that twelve feet block of gold in the Bank of England!") As you look upon the low, quadrangular structure of the bank, you are overcome by its imposing appearance. The dead wall around it, scantily relieved by pillars, let into the front, almost windowless and doorless, bespeak a sombre jealously guarded "sanctuary." It is the treasure house of Plutus, the sovereign and deity of the precinct and of England. You feel an awe and somberness in the front very accordant with all our notions of the Old Lady of Threadneedle street, the image of wealth and power.

Across Threadneedle street stands the Royal Exchange, with its high pillard porticoes, its wide archway of entrance and large inner court, open to the sky. These two buildings, which far surpass in size any of the surrounding palaces, fitly represent the two powers, whose joint action constitutes the life of this busy world. The Bank represents money, the Exchange represents commerce. Generally the two act in harmony, sometimes, however, in rivalry; but at all times they deeply affect one another. A panic on 'change, makes a crisis at the bank. A crisis at the bank makes a panic on 'change. They are like brother and sister; but money is the strongest. Commerce depends upon money, and sometimes it is subjected to a cruel bondage. Linger here a while and it will not be

long before you find what vast issues are dependen upon the presence of gold in that solid building of the short pillars. Yet, strange to say, in this temple of gold, gold "cannot be seen." We know from officials returns that so many millions of gold lie in the vaults of the bank, but the precious metal makes no appearance in the business transactions of this money center. Bits of paper with some writing on them are the sole visible agents of the scene. Paper, paper, paper everywhere, but no gold, not one sovereign to be seen. It is only the ghost of the gold that occupies the stage of action. The truth is the whole operations of this monetary metropolis would come to a stand still, if they ha to be carried on with gold. Happily the yellow dross is no longer wanted. (We believe it. It never was wanted.) Yet while gold is here invisible; while thousands who operate here never see it, visible or invisible, its presence regulates and affects all the commercial operations of England, nay, of the whole world. Those two brief lines in the city papers which tell whether that gold block is swelling or shrinking, contracting or expanding, are in reality the vital pivot of the industrial movement of England. If gold is coming to the bank, everybody is elated, and business and enterprise go freely ahead; if gold is leaving the bank, everybody becomes uneasy and enterprise comes to a stand still.

But why, it may be asked, should a little more or less gold in the bank produce such immense effect upon the prosperity of a nation? (Echo answers back why?) This temple of Mammon is based upon gold, and this basis has often been found to be preeminently unstable and dangerous. The golden block perpetually oscillates to and fro; and each of its greater oscillations is felt like the shock of an earthquake. It rises and falls; expands and contracts, and sometimes fears are entertained that it will slip away from its cave altogether. Then goodly commercial houses go down by the hundreds, not because they are ill-built, not from any fault of the architect, or the occupants, but simply because the foundation of (a nine foot cube,) chamber full of yellow dross, upon which they stood, has given way. Of late years these oscillations have been more frequent and more disastrous. Every ten years or so, a convulsion takes place, not of nature, but of human folly, which spreads terror and desolation far and wide, paralyzing the business of the whole country as effectually as if an earthquake had upheaved the land and strewed with ruins the pillars of our national industry. The merchants and the manufacturers, the shop keepers and the wage workers alike, find their trade suddenly stopped and their means of living suddenly swept away. Suffering and want spread over the

country as if a great famine was on hand. There is paralysis of industry, dearth of employment, and hard times are felt universally, Is there not something wrong here? (Echo answers back again "something wrong.") Ought the presence or absence of a few cubic feet of gold in a bank make so vast a difference between national prosperity, on the one hand, and national disaster and wide spread ruin on the other? How will posterity judge us when it reads that we made the huge fabric of industry, upon the activity of which human welfare depends, stand like an inverted pyramid resting on such a narrow and unstable apex of a chamberful of useless metal? Will they not charge us with folly and barbarism?" (Undoubtedly they will.)

From our friend's description of affairs in England, in regard to the influence of those 26 men, who watch the gold block in the Bank of England, (like priestesses of old used to watch the Vestal Fires,) it is patent that that country is also cursed with a legal tender decree, and that Adventurers there have complete control of the people, who have also fallen unto the same gold hallucination that the colonists have. Otherwise why would they tremble and stop commerce and industry at the mere shrinking of a gold block?

Be as it may, the result of the gold discoveries

and the condition of the Old Country, where most of it had gone to, cut off all hope of relief ever coming from either. Therefore, possible or impossible, the only gleam of hope which remained in us now was to cure, or in some way modify, the mental disease in the colonists, and to confine the disasters of the decree to taxation alone. To this we turned our attention.

GOLD LUNACY IN THE GOVERNOR.

One of the most pernicious facts which happened in this gold benighted colony, was that the present Governor had become affected with the same gold lunacy. He had utterly forgotten, or perhaps had never read, of the condition of the colony previous to his father's fatal legal tender decree, and when old men and women narrated to children "how, once upon a time, the colonists had been swimming in abundance and happiness and that, at that time, debts, mortgages and scarcity of money were unknown," the Governor classed such narrative with the traditional legends among all nations of the earth viz: that "their ancestors had lived in a paradise, whence they were expelled on account of some great sin." He now was a confirmed believer that the colony would surely go to ruin, and he would be powerless to prevent it, if gold was to take wings and disappear.

The consequence of this mental disease in the Governor, was very serious. It intensified that of the colonists and also caused a series of grievous wrongs, on his part, which affected both the welfare and liberty of the people. But "liberty," we say, how could a people be called free when they were utterly at the mercy of Adventurers for the means of support? What difference was there between such a people and a besieged army with its supplies cut off! Both were equally compelled to give up "liberty" and surrender. But the misery of the colonists was aggravated by many legislative acts of the Governor, under the pretense that he was "establishing justice and maintaining liberty among his people." We could adduce enough such acts to fill a large volume, but will limit ourselves to very few.

We have already stated the one forbidding every body issuing notes, except the Adventurers, upon the foolish plea that such notes must be able to buy gold, and that, accordingly, gold must be in reserve to redeem the notes. Any one can readily see the enormity of such partiality. It made the rich richer and the poor poorer. The very ones who needed the notes to keep an account of products and exchanges, were forbidden to issue them, and the ones who did not produce anything, and hence had nothing to exchange, were granted the abso-

lute monopoly thereof. Such notes should never be intended to purchase gold. The object should be to put people to work and enable them to exchange the products of their work. Look at the fact as we may, such notes, issued by the owners of gold, were intended as means of plunder alone. Yet the mentally befogged colonists could not see into the fraud, and had hailed bank notes as a blessing. But the Governor, poor deluded man, was under the impression that the notes could not possibly be good, unless exchangeable with gold. Nor did all the financial panics which we have described teach the Governor that his views were wrong.

Another legal wrong was this : When co-operation was necessary to execute important enterprises, such as working a mine, building a railroad, lighting a city or supplying it with water, etc., he made it the law that the co-operators should apply for and obtain a charter or permission to so co-operate. But the Governor would not grant such charter to any but those who had gold, made into money. It resulted, of course, that Adventurers alone could organize for the purpose. This placed all the great enterprises of the colony in the hands of a class of men who never intended doing a stroke of work, and prevented the organization of those who had all the work to do.

We had a talk with the Governor in reference to

this iniquity. He replied "that it was necessary to protect the workingmen in their pay, and that Adventurers alone, who had gold, could pay them." "But when men get paid for an object, does it not mean that they have sold that object to another?" we inquired, and added, "suppose workingmen desire to unite and build, or make something to hold and use themselves, and not sell to another; why refuse to them a charter to enable them to do so, whether they have any gold or not?"

The Governor had been in the habit of seeing workmen so poor that he could not comprehend how they could build or produce anything to keep. So he held to his idea that he would grant no charter, unless the parties applying had some gold to lay down as security for the "payment" of those who did the work.

This wrong was followed by another equally unjust, though not so far reaching in its evil consequences. In business enterprises, "dollars had a right to vote in place of men," as if governments had been instituted especially for the benefit of gold. Let us illustrate this fact. Suppose thirteen men formed an association, for the purpose of carrying on business and obtained a charter. Suppose again that "three" of them invested each four thousand dollars, or in the aggregate, twelve thousand, while the other "ten" invested only one

thousand dollars each, or together, ten thousand. In this case the three wealthy members could control the concern in absolute. They could elect officers, fix salaries, etc. The ten might as well abandon all they had in the association to the mercy of the three. Here the law, instead of being a protection to the weak against the strong, protected the strong against the weak (in money).

Many Adventurers amassed immense fortunes by making use of this iniquitous system. They would start big enterprises, such as railroads, etc., get the colonists to subscribe bonds, give them shares in the association, taking care to hold a majority of these shares themselves, finally pretend to borrow more money from their colleagues, mortgage the enterprise, have the whole sold for debts and thus "freeze" out the minority which often implied whole portions of the colony.

The wrong of all wrongs, however, which grew out of the Governor's gold madness, was the assumption that he had a right to barter away and put the colonists into bondage for the loan of gold, and often times for redeemable (?) bank notes. This detestable policy had its origin in the foolish idea that it was necessary to go round by way of gold in order to obtain whatever he stood in need of from his people. Accordingly when he needed men or materials and had no gold, if he believed it

too great a hardship to force the colonists to sacrifice their property to the Adventurers and bring it to him, that he might give it back to them in payment, (the same vicious circle), he would stamp and sign a batch of "certificates of bondage," which he called bonds, and peddle them about from bank to bank, first among the colonial Adventurers, and then abroad among foreign ones, (think of it, selling his own people into bondage to foreigners!) for a ton or so of gold. bring this stuff home and go to stamping checks upon the pieces, and, be it said, stamp upon the same, the usual blasphemy that "IN GOD HE TRUSTED," which bore the lie on its face. Had he trusted in God, or in his people, he would not have gone abroad to buy gold, for both God and people were in the colony. No, it was in gold he trusted, as his action proved.

When a friend named this fact to the Governor, showing him also the embarrassment that he and the tax-payers would be under, in case the Adventurers should refuse to furnish the gold, or did not have it to furnish, he frankly acknowledged that he could not comprehend in what other way he could ever pay his people for the things he obtained from them. It was his rule, he said, to take nothing from them without compensation, and gold was the only legal tender article to pay with. "But," we said, "you do not need to pay your people for what

they furnish you." They do not expect to be paid. They are well aware that they are in duty bound to maintain the government. A just and equitable apportionment of the contributions is all they expect. Gold checks make the tax harder to pay and double in volume. Therefore it is unwise and unjust. And we entreated him to return to the paper check system.

The Governor replied that one of his predecessors, before his dynasty had been established, and when the colony was at war with the mother country, had tried paper notes, and they had so depreciated, that they ceased circulating, causing great losses to the people. He meant the so-called continental scripts during the Revolutionary war. In reply, we first endeavored to convince him that the act of issuing or stamping a quantity of paper, which is originally of no value, then after a time destroying it or casting it away as worthless, could not possibly do any harm to a people, except the very small loss of time and material in making the paper and stamping it. On the contrary, we reasoned, if the issue of such paper served to employ labor and was thus the means of building a railroad, for instance, it was a boon to that extent. When they ceased to use it in circulation, because they may have concluded that being mere paper is worthless, they surely would not consider the railroad worth-

less, and cast it away, also. Consequently, instead of losing by such issue of notes, they really gain a railroad. We then continued that "the question with a people was not to declare war against pieces of paper, harmless when made and harmless when destroyed. The question was to learn how to use those pieces of paper. "We have been using them wrong," we said. "Let us use them aright and not forbid their utility. If, by the use of notes, we can employ men, who, without the same, would have remained idle, we have already accomplished a good work. Our next object should be to protect the workers in the ownership of the wealth they produce. Paper notes have, of course, no manner of value within themselves. They should be used to tally contributions of work and materials furnished by each man or woman in the wealth produced. We should tell a worker that this paper note is "evidence" of your investments in the enterprise, not the investments themselves. If, instead, we deceive the holder by making him believe that the note is the actual wealth, because he can dupe others in the same way, and he takes the paper note for his portion, giving for it the result of his work, he will, of course, soon discover that his paper is worthless and that he has been defrauded of his property. Bank notes, issued by Adventurers, read about as follows: "Friend, let me have

your property, and take for it this note, which will enable you to get an equivalent from your neighbors, and they from their neighbors, thus round and round in perpetuity." Such a note is worse than a deception.

"Your Excellency, we concluded, should not confound a most beneficent document with a similar pernicious one now in use."

The Governor could not see the difference in the use of paper notes. "All circulating notes, he said, should be redeemable in gold."

The history of the Continental Scripts, he was alluding to, was as follows:

A few years before that Revolution in the colony (1739), the farmers of the country, who lived yet under the idea that production and exchanges should be carried on by means of some toy or trinket, and who had been using for this purpose beads, cowry, shells, wampum, etc., had concluded to try paper notes. These notes were not to be "redeemed" in beads nor wampum, but were to be received in payment for all sorts of commodities and services. If a farmer gave notes to a mechanic for a plow, for instance, he obligated himself, and pledged his farm for the fulfillment of his obligation, that he would receive them back, at face value, for any of his products or work. Mechanics united with the farmers in the scheme and promised to re-

ceive the notes. The reason which the farmers gave for the issue of such notes was the alleged scarcity of beads and wampum to do business with. The scheme proved a great boon to everybody in the country. It revived business wonderfully, and the notes did not carry the fruits of labor in the hands of Adventurers. As soon as the Governor of the Old Country learned of the " Farmers and Mechanics " notes in his colony, for some unaccountable reason, he ordered every one of them destroyed and forbade the further issue of them. What harm those notes could do to the Governor across the ocean, the Lord only knew. It pricked his pride, we suppose, that farmers and mechanics should undertake to do a thing without his permission. Or he wanted them to depend on the Adventurers in his country for money. But the note issue had to stop, and production and commerce curtailed again to the quantity of wampum and cowries in circulation.

Two prominent colonists of that time, Sam Adams and John Coats, got quite wrothy at such interference by the Governor in the affairs of the colony. They aroused the colonists and formed a political party, which proved the beginning of the subsequent Revolution.

When finally that revolution broke out the colonists had no wampum to pay soldiers nor buy

what they needed, besides, be it also known, their minds were considerably addled about monetary trinkets, such as the gold and silver of the Old Country, where old men had been raised.

Under the pressure of the Revolution, the then temporary Governor issued "scripts," but instead of making said scripts "receivable" for all debts and dues to the government and between individuals, he made them "redeemable in Spanish milled dollars." Where on earth were these Spanish milled dollars to come from? Who was to buy them? What and how much was to be given for them? As soon as the Spaniards heard of such foolish decree, no doubt, they raised the value of milled dollars, believing that the colonists would be forced to buy them. What nonsensical cruelty! Was a colonist, for instance, to sell to the Governor a beef to feed the soldiers and take the scripts, then be compelled to sell another beef to the Spaniards for milled dollars to redeem the scripts in his hands? In the name of common sense what sort of distorted monetary system would this be? Where was the good of it? The beef furnished to the Governor paid the tax, and the script proved the fact. What had the Spaniards and their milled dollars to do with that fact? Why compel the colonists to loose two beeves when one was sufficient? Where would such system land them?

Well, the Governor issued the continental scripts, bought beef, bread, horses, clothes; paid soldiers, etc. When the war was over the Governor had no "Spanish milled dollars" to redeem the scripts with, was wise enough not to force the, already exhausted, colonists to sacrifice property to obtain "Spanish milled dollars" wherewith to redeem the script in their own hands, so the whole fabric of absurdities and impossibilities fell to the ground And what of it? Did those colonists lose one cent more than they had already lost in the war? The "redeemable" business comes always from the quarters of speculators in money. When said continental scripts had fallen in value, that one Spanish milled dollar would buy twenty dollars worth, Adventurers of those times, (and, on reading history, it appears that every generation has been cursed by such), purchased the scripts, then endeavored to have the Governor lay a tax of Spanish milled dollars on the people and redeem them at par, or bond the people to redeem them in the future, and pay interest, in Spanish milled dollars, in the interval. As a plea for their nefarious demand, they appealed to the "credit and honor of the Governor," as if it was creditable and honorable to rob the many and give to the few. Fortunately the Governor, either of his own will, or because of the destitute condition of the tax

payers, refused to comply with the Adventurers' request, and the scripts disappeared. They had performed their functions and passed away.

Under the gold delusion, wars have, generally, been seasons of immense profits to Adventurers, just as battles are harvest fields to buzzards. During that Revolution they failed to gather booty. But they made it up hugely on a subsequent Rebellion among the colonists themselves, at which time they were better prepared and sort of allied with the Governor, as we have seen in the foregoing pages.

Let us narrate this latter event.

The colonists fell out among themselves about some trivial matters which they called "States Rights," and threatened to disolve the colony. The Governor felt sore distressed to prevent a dissolution. Not that he lacked men or materials on his side, but he lacked the money to "pay" the men and "buy" the materials. On the part of the Adventurers, if there is a think that they fear is the sound of the cannon. The saying that "capital is timid" has become a proverb; and if there is a thing they love it is money. So, as usual, when this rebellion broke out, gold disappeared, and bank notes became very scarce. Under the gold monomania, what could the Governor do? A wise friend advised him to have plates engraven and print "notes" of his own. "Did not Adventurers hire men and

purchase goods with their notes?" argued this friend. "Let us do likewise," he said. "But," replied the Governor, "most of the colonists are indebted to Adventurers who would not take our notes in payment." "Order your notes to be "legal tender," as your predecessor ordered the gold of a hunter to be," rejoined this patriot, "and compel these Adventurers to receive them." To this he added that the salvation of the country was more important than the surfeit of a few lazy Adventurers.

"Eureka!" shouted the friends of the Governor in chorus, "salvation is found."

The news of the money remedy, as proposed, came to the ears of the Adventurers in their palaces, and they felt it like the shock of an earthquake. "Demetrius," the master workman, at once called a convocation of the craft, (Acts XIX, 24), and said: "Ye know that by this craft, (meaning the legal tender gold and "redeemable" bank notes business), we have our fortunes. Moreover ye heard how a friend of the Governor has persuaded him to take this business into his own hands and issue "legal tender" notes, so that, not only our vast note industry is in danger, but the very foundation of the whole structure, gold itself, may be set at naught." When the craft heard these sayings, they were filled with wrath, and cried out saying: "Great is gold, the money of the world

and only "redeemer," and the whole tribe of them was in commotion. And, when they had consulted together, they proceeded to the city of tribulation to lay their grievances before the Governor.

There this bullion tribe presented to the Governor the following monetary scheme:

1st. The Governor to be allowed to issue a few notes, to be used only two years, then collected in taxes and cancelled.

2d. The Governor should issue large amounts of "interest-drawing-bonds," and sell them to Adventurers for their "redeemable" (?) notes.

A witness to the said proposal said, that "the plan displayed great sagacity on the part of the Adventurers," and adds that "the Governor thought well of the proposition to make the colonists return his notes in taxes, as he had no gold to redeem them with," but that he could not comprehend the balance of the scheme. "It seemed to him, said the Governor, that out of it would come "turkey" to the Adventurers and "buzzard" to the colonists, all the time," as the traditional story goes. Then the Governor went near losing his temper and breaking friendship with the tribe of Adventurers. We would have shed no tears over it. Another friend of the Governor, on hearing such audacious proposition, went so far as to "object to any and every scheme for robbing the colonists." These were the

very words, and he turned his back on the Adventurers, adding "that they did not propose to be imposed upon in any manner nor shape by speculators."

When we read the report of that conference, we were much elated, hoping to see a new era in the monetary affairs of the colony, probably the very downfall of gold, and the end of the "redeemable" bank notes fraud. But such era had not come yet, and we merely passed through another disappointment. Those were trying times, however, and the Adventurers were careful not to arouse too strong an opposition. So they tarried in the city of tribulation several days, and had many conferences with the clerk, who had charge of the money business, and finally persuaded him to stop issuing "legal tender" notes. After this they set to convincing other friends of the Governor that the issue of "irredeemable" legal tender notes was contrary to the laws of the colony. (They had reference to the terrible decree which had conferred that privilege on gold).

To make this distressing story short, the Adventurers worked their underground wires so skillfully that finally they had the Governor and all his assistants entirely under their control, and made them sign a written contract, that the issue of legal tender notes should be stopped, and billions of in-

terest drawing bonds, and hundreds of millions of bank notes, issued in their stead. Thus the monetary machinery of the colony was again turned over to the Adventurers, with the following improvement in their favor, viz: that, as they collected outstanding notes of the Governor in interest, they would exchange them for a bond on which gold interest should be paid, and ninety per cent of its face value in bank notes. They would get $100 in bond and $90 in notes, which they loaned again to colonists, and, alas, to the Governor also. What a field of booty! Was such stupendous plan for robbing a people, on a large scale, ever devised by mortal man since the world has been in existence?

Under it, the soldiers did all the fighting, the Governor made all the money, the colonists furnished everything needed, and the Adventurers came out of their safe retreat, at the end of the war, millionaires. The final result is to be seen all over the colony unto this day, viz: Governor and people deeply indebted, soldiers killed or crippled and poor, and the tribe of Adventurers as rich as Crœsus and "masters of the situation."

Thus like a man on quick sand, every monetary move the colonists have made since that fatal "legal tender" decree, has sunk them deeper.

Yet how often our thoughts would revert to that time when the Governor had, bravely, issued those

few millions of legal tender notes of his own ; how the colonists were aroused to activity, how they furnished the Governor with men and materials to quench the Rebellion, and at the same time pushed improvements of all descriptions, opening new farms and mines, building new towns, and enlarging the cities, extending railroads and telegraph lines more than had ever been done before in the same period of time. It really seemed as if the war was proving a boon, instead of a calamity. However this wonderful development was due to those notes, 'greenbacks,' they called them, which served to keep the colonists employed. The war was a hindrance to progress, as it held a large number of colonists from production, and was, moreover, a destructive agency, as all know. Had those legal tender notes been issued in time of peace, to put the whole colony at work, and none destroying, no living man could imagine what could have been done in the way of improvements and progress. Poverty and want would have been driven from the country. We actually believe that, if the Adventurers could be made to see what obstacles they, and their legal tender gold, are to the prosperity of a country, and could be shown, as in a panorama, what the social condition would be, if they would only stand aside and let the grand industrial army pass onward, surely, of their own free will and accord, they

would set the people free. It would be to the interest of the people to pension every Adventurer to induce them to do so.

This, however is but a wild dream of ours.

After the Rebellion, with an enormous debt in bonds and private mortgages, the money began to gather fast in the hands of the Adventurers to be converted into bonds, and simultaneously the colonists began to go down and down until 1873, when telegrams flashed again over the colony to farmers, manufacturers and merchants to make ready and save their property, if possible, for they were in the midst of another terrible panic. A great Adventurer had closed the door of his bank against his depositors, and the closing of that one door shook the colony from end to end. Men were discharged by the hundreds of thousands, factories closed, prices fell, business languished, improvements stopped, failures followed one another and desolation was over the land once more.

The embers of this last panic are smouldering yet, and the colony is strewed with the wreck of hundreds of thousands.

No department of history repeats itself as surely as these hard times and financial catastrophes under gold legal tender and gold "redeemable" system.

INTEREST ON MONEY.

Undoubtedly the most pernicious error which the colonists fell into in regard to gold, is the idea that it actually can grow of itself. The imposition of the Adventurers in demanding more gold than they loaned them, which was so palpably an impossibility before their unprejudiced minds, had gradually ripened into an article of monetary faith, and even great writers confirmed this faith with their works. One of these writers, named Kellogg, who claimed to be a friend of the colonists and opposed to the exactions of Adventurers, in his "New Monetary System," says that "accumulative power" is essential to the very existence of money, and that "when the Governor decreed gold to be legal tender, he imparted to those grains of the Adventurers, as it were, life and energy." Is not this an awful blasphemy against God? Mr. Kellogg continues to say that "that one piece of gold has received through the legal tender decree, the capability to "earn" for its master, in a given time, another piece of gold as large as itself." Would an unbiassed mind believe, write and inculcate such absurd

doctrines? And do they not prove that Mr. Kellogg's mind was impaired on money matters, equally as much as that of the colonists? But so universal and so firm was this creed, viz: that money grows by interest, that the deluded colonists continued to make contracts, based upon this growth, and exert themselves to desperation to perform such absolute impossibility.

We often endeavored to undeceive them by reasoning, that, if the Governor had the power of God, and could, by a simple decree, breathe life into dead pieces of metal, and infuse into them the power to grow and multiply, there would no longer be any use for mines. Indeed, paradoxical as it may seem, one block of gold, which the Governor should endow with such energy, would, in time, outgrow the world. "But, with such creative power, why does not the Governor raise his own gold and cease selling the colonists into bondage to borrow it?" we asked. Again. "if the Governor can set a piece of gold to work and make it "earn" another piece as large as itself, why does he not "set" all the gold in his hands and make it hatch the taxes he needs, especially in war times, instead of torturing his people and subjecting them to distress and destitution, by forcing them to buy or borrow said taxes from Adventurers?" And again, "if the Governor can perform such miracles, what use has he for all

that paraphernalia of custom houses and custom officials, revenue cutters and revenue collectors, whose assigned duty is to catch gold." Finally we asked, "if the Governor is able to impart to a piece of metal more power than nature gave to it, why not extend that supernatural power to portions of the vegetable and animal kingdoms, and thus give rest to the toiling colonists?"

We then tried to reach their understanding by illustrating the pernicious effects of lending at an increase, and demonstrate its iniquity as viewed by the authors of the Bible, in a parable as follows:

Eleven immigrants located inproximity. Among the articles necessary to their sustanance was ten bushels of grain each annually. Hence, the very first year, each put a piece of ground in grain, so as to be independent of the rest. Providence favored one and not the rest. The one had a crop of 110 bushels. The others had their crops destroyed by chinch bugs. The ten unfortunate ones repaired to their neighbor to borrow ten bushels of grain each, promising to return it the following season. The neighbor happened to be a "business man" from Eastern Europe. He understood loaning, and thus addressed his unsuspecting neighbors: "Next year you may be as unfortunate as this, and consequently may not be able to return to me my grain. I know by experience that lending is a risky busi-

ness, therefore a man should be well secured and 'paid' for the accommodation. "A bird in hand is worth two the in bush." A bushel of grain now should be worth more than one bushel next year. Therefore I will lend each of you ten bushels of grain, on condition that you make me safe by a mortgage on your homes, and each pay me an extra bushel annually as interest. The ten neighbors had been under the impression that the accommodation would be from their side, that the fortunate neighbor was 'overstocked' with grain; would be compelled to build bins to store it away, and even then the grain would be subject to loss by weavel, rats, rot or fire. They thought that, by borrowing his surplus grain, they would be assuming the care of the grain and relieving him of all trouble, expense and loss. Thus they argued with him, but he was inexorable. He knew their destitute condition, and was ready to take advantage of the same. Pressed by necessity, the neighbors had to accept his terms, and down they fell, to that extent, into perpetual serfdom. Henceforth and forever, the fortunate lender, in so far as grain was concerned, (ten bushels annually being all he needed), was relieved from all manual labor, and his neighbors burdened one-tenth more toil in perpetuity. The one, and his descendents, would form the plethoric nobility of the future, the others

and their children, would be classed as plebian serfs. Assuming the length of active life to be thirty years, and ten bushels of grain per year the requirement for the consumption of each, according to the Bible's injunction, that "in the sweat of thy brow thou shalt eat thy bread," at the end of life, each should have produced 300 bushels of grain. But by means of usury, the lender is enabled to make 110 bushels sufficient for him and his progeny to the end of time, while the other ten will have to produce each 319 bushels the first generation, and 330 bushels every succeeding one.

What a productive grain field this lending at interest proves to be to the lender! What a pit to enslave the borrowers!

But our parable did not yet illustrate the full force of lending "money" at interest, because the payment of interest, in grain, is possible, from the fact that grain grows. Money, on the contrary, can never rise in quantity above the principal loaned. Consequently we see the general fate of borrowers.

Again all arguments and illustration proved in vain. We could in no wise force a ray of light through the universal darkness, which reigned in the brain of the colonists, in regard to the effect of interest. All alike seemed to live in hope, that by some fortuitous, unforseen event, they would reach the side of the lenders and live on revenues. It

was pitiful, and at the same time ludicrous, to see and hear miserable wretches, who had lost all they had by interest, strutting grandly in their dangling rags, while narrating with pride the history of "so and so," who had come to the place poor, had, by hook or crook, gotten hold of a little money, had turned to lending it, and now was very rich; or contemptuously that of another, who had come to the same locality with considerable means, had invested these in a farm, had toiled hard many years to improve it, had ruined his health at it, had gone in debt, and finally ended in poverty. Public opinion was evidently on the side of the lenders and against the oppressed. Then again such stories as were told about the increase of money by interest. If money had been a sort of prolific fowl, and banks had been incubators, no more wonderful feats of increase could have been performed.

Here are a few of such stories:

Alexander Smith, ring leader of the mutiny on the ship Bounty, saved the life of a midshipman from drowning. This midshipman put one hundred pieces of gold in an incubator for Smith. The latter, not knowing anything about the fact, left the deposit in said incubator, where it laid one hundred years. The gold continued to bring forth two broods of interest annually, and when Smith's

heirs found it out, their portion of chicks amounted to ninety six thousand. Each original piece had multiplied nine thousand six hundred times "at a very low rate of increase," says the historian.

This story was told, published and believed at a time when the colonists boasted of high civilization and when, probably, not a dust remained of the original deposit. Yet the colonists continued to pay tribute on them to Smith's descendents, as the man who continues to pay taxes on land which has been long since washed away by the river.

Here is another story in this very morning's papers:

Ten men formed an association and agreed to pool ten dollars a week and loan it out. It is now a regularly chartered "incubator" with $36,000 in the boxes.

This wonderful growth, the papers present, as "an instance of what can be done with energy and perseverance in the way of accumulating wealth!"

Meantime a great man is round making speeches and telling mortgaged farmers that they are like the frog in the well, climbing out two feet in the day and falling back (in debt) three feet at night.

Behold the difference between those who receive and those who pay interest.

The most effective, however, of all these interest stories, and the one which was made the foundation

of all arguments to convince the colonists of the benefits to be derived from incubators, and induce them to invest in them, was the following:

"During a protracted war in Germany a nobleman intrusted a large amount of gold in the care of a Jew, (Rothchild). The Jew forthwith placed it in incubators. It multiplied to such an extent that, at the end of the war, the Jew was able to give back to the nobleman his gold with an increase, and yet retain enough of the brood to make himself immensely rich."

Such stories were told with an air of innocence, as if the outcome were blessings from Heaven, instead of extortions from the victims, and no one seemed conscious of the wrong involved in the falsehood.

THE AGE OF INCUBATORS.

We come now to a culminating point in the financial history of the colony, since the passage of that terrible legal tender decree. This period may properly be named the "Age of Incubators." The position of ease, affluence and power acquired by the Adventurers through loans; the wonderful stories which passed current about the growth of money, when passed through incubators, and the fact that no other enterprise guaranteed as large profits as money loaning, made the whole colony

teem with incubators. Every town, however small, had at least one, and large cities had hundreds. "Money to loan," was placarded at every corner and advertised in all the newspapers. Even charitable Christian institutions made usury the foundation for their support. They, like Adventurers, invested what donations and legacies they received on mortgages, and thus extracted from the already overtasked toilers the means for their charities.

Among the schemes and devices for multiplying loans and extracting interest, one deserves especial consideration, as being a late invention in the colony, and bearing the special protection of the Governor for its (supposed) benevolent object. This is the

BUILDING AND LOAN INCUBATOR.

One day, as we were pondering over the wonderful changes, financially, socially and mentally, which took place in our days in the colony, a stranger accosted us, and "do you wish to get rich?" he asked. "Of course," we replied, "everybody desires to get rich." "We have just started a new money incubator," he said. "It beats all others for rapidity of reproduction. It has caused a perfect revolution. Every person who can spare a little money, puts it right into it. It is called the 'Building and Loan Incubator.' It has gained the

favor of all the authorities in the colony on account of its great benefits, and already it is superceding all others," he went on. "How does it work?" we inquired. "You put a piece of gold, or paper representative, in the boxes every month, and, without any other trouble on your part, it will double itself in one hundred months. The like of it never was heard of before. We are all going to get rich from Adventurers to poor mechanics, who have but ten dollars a week wages," he replied.

We became somewhat anxious to learn more about this new scheme, especially as the man who was soliciting us did not look like an Adventurer. He explained to us the working of this new machine. "Say, one thousand of you form an association and deposit with me (the man) each one dollar every month. I take the thousand dollars and lend them to one of you, who is fortunate to own a lot worth one thousand dollars to secure the loan, and is anxious to build a house on it. The next thousand to another, and so on to the end of the 100 months. We are now divided into two classes, viz: investors, who continue to pay one dollar per month on each share, but do not borrow, and "borrowers." Those who borrow will have to keep up their shares of one dollar on each $200 borrowed, and, at the same time return one per cent of the borrowed principal monthly. Thus,

if a partner borrows $1000, he will have to carry five shares and pay five dollars on the same, also ten dollars on the loan, making fifteen dollars, monthly. At the end of one hundred months, on five shares they will have paid

Investor on shares	$ 500 00
Borrower on shares, and loan	1500 00
Total received by me	$ 2000 00

I then divide these $2000 into two equal parts, giving each partner $1000. But the borrower, as you know, has received his thousand at the beginning of the period. So his debt is paid. The investor gets his thousand now." Right here we asked the man who paid him for his time and trouble. He said "the fines and penalties would be sufficient to compensate him and cover all expenses of management." "What 'fines' and 'penalties?'" we asked. He said that "it was one of his rules, if a partner did not come up punctually with his dues at the appointed time, he would fine him ten cents on every dollar," and added that "his experience in the business had proven that such fines amounted to a considerable sum." "Besides," he continued, "salary is but a secondary object to me. I got up this scheme purely for the benefit of workingmen and persons of small means, to induce them to save their money. I desire to see such persons installed

in a home of their own and cease paying rent to Adventurers. Our scheme is a mutual affair. It lifts workingmen into the position of money-lenders and enables them to borrow from themselves at a very low rate of interest. In it the borrower pays 6 per cent per annum, while the lender gets 24 per cent, or four times as much as the borrower pays."

Here the man got warmed up, almost excited. He pulled a pamphlet out of his pocket, and opening it, he showed us by actual figures that a member of his association could be both lender and borrower, at the same time, pay only 6 per cent as borrower, receive 24 per cent as lender, on his own money, and at the end of 100 months come out, not only clear of debt, but with a large sum of money, besides a home of his own. "How can this be possible?" we asked. "It comes from the wonderful mechanism of our new incubator," he answered. "Count for yourself," he continued, "and you will be satisfied that it does perform such feats." Here he drew out pencil and paper and proceeded to figuring, while we looked on. "The borrower gets $1000 for 100 months, which is 8 years and 4 months. He pays us $15 per month, or 100 times 15, equal to $1500 during the whole time, that is, he returns to us the $1000 borrowed and $500 more as interest. "Then calculate," said the man, "$500

as interest on $1000 during 100 months, or 8⅓ years, is exactly 6 per cent per annum, and no more. Any tyro in arithmetic can calculate that," he said, with a triumphant air. "Now come to the investor side," he went on, "and calculate. He paid us $5 per month during 100 months, making a total of $500 and no more. He paid us the first $5 at the beginning, and the last $5 at the end of the 100 months, so that he was out of his $500 only an average of fifty months, or 4 years and two months. Now we pay him $1000, $500 of which is interest on his $500 for fifty months, equal to 24 per cent annually." "Is this not correct," he said. We had to admit that it was, as per figures. "Then is not this new incubator the most perfect machine that ever was invented for the hatching of interest?" he asked again, and concluded by asserting "that everybody who would invest in it was bound to get rich, whether he was borrower, lender or both, because all participated alike in the wonderful increase.

We were perfectly astounded, and told the man that, if he would leave us a copy of his prospectus, we would examine the mechanism of his incubator. This he did, and we examined it and soon discovered the trick. The associates, as the man had said, are divided into two classes, lenders and borrowers, and it is true that, if all things go right,

the lender would get 24 per cent per annum on his investment. But, leaving aside the absurdity that his incubator, by any adjustment of parts, could have any power of bringing forth broods of money, it is not true that the borrower pays only 6 per cent interest per annum. Aside from fines, penalties and other incidental expenses of abstract on his lot and lawyer's fee, he pays 18 per cent per annum on his loan. The man calculated that the borrower held the $1000 one hundred months. It is not so. $15 of it he returns the very next month, and $15 every following month. At the end of $66\frac{2}{3}$ months, he has paid back the whole thousand. Now, averaging the time he held the loan, (as the man does that of the investor), at half time, viz: from the time he paid the first $15 and the last $15, $66\frac{2}{3}$ months, it results that he held the loan only $33\frac{1}{3}$ months, not 100 months. Only $\frac{1}{3}$ the time. So he virtually pays 6 per cent for only one third the time, equal to 18 per cent annually. "A tyro in arithmetic can count that," as the man had said.

Now as to the charitable philanthropist, who got up the scheme for the benefit of workingmen, as stated, he really gets 18 per cent interest on $1000, but, in the settlement with the investor, he pays 24 per cent on only $500. If he received 18 per cent interest on $500, and paid 24 per cent on the same sum, he would be losing 6 per cent on the transac-

tion, but getting 18 per cent on a $1000, (which is equal to 36 per cent on $500), and paying 24 per cent on the $500, he realizes 12 per cent profit. Besides this profit, fines and penalties, he reaps an immense harvest of interest by re-loaning the installments as they come in monthly, at compound 18 per cent interest, by which process the original $1000, which came all back in 66⅔ months and was re-loaned, amounts, at the end of that period, to $1710, and at the end of the hundred months to $3432. If the borrower of the original $1000 had re-borrowed each $15 he paid in monthly, at the same rate of interest, at the expiration of the hundred months, he would have paid $3432, or $2432 for the use of one thousand eight years and four months, and receive no interest whatever on his lot. Besides the income of $3432 that the man realizes on the thousand, on $15 per month, he also realizes the third of it on the five dollars monthly of the investor, making his receipts in all:

On borrower	$ 3432 00
On investor ⅓	1144 00
Total	$ 4576 00

Out of which he lent $1000 at the beginning and pays one thousand at the end, leaving him $2576.

No wonder Adventurers were adopting the new incubator, both as the best means for collecting what

dribs of gold had strayed from the bank in wages, and at the same time obtain the highest possible rate of interest on their funds.

Upon investigation, we found that ten in one hundred, who went into the association, ever continued to the end of the one hundred months. Most of them withdrew from it the first or second year. Also that most of the borrowers lost the house they built, and the lot on which they built it, and these losses occurred mainly after they had returned all the borrowed money. Finally we found that the very few who continued to pay monthly to the end were Adventurers or money lenders.

So we deplored the poor benighted colonists, who fell victims to the new trap, but were powerless to prevent them going in it. The intense desire of fathers, and still more of mothers, to reach a home they could call their own, undisturbed by landlords, coupled with the prospect of getting rich without labor, and the dense cloud which obscured the truth in reference to money matters, were more powerful than all the logic that one could bring against the Building and Loan Incubators.

From these pestilential incubators issued a miasmatic flight of birds of ill omen, interest drawing notes, bonds, securities, annuities, perpetuities and mortgages, until the social atmosphere was dense and dark with them. They acted upon the indus-

tries of the colony like an enormous flock of vampires, absorbing the life blood of all. Farms which could have been made "Gardens of Eden," if their products could have been invested in improvements upon the same, were forced to retrogress towards the original wilderness, by the absorptions of interest. Manufacturers, which could have flooded the colony with the comforts, conveniencies and luxuries of civilization, were languishing and perishing under the same scourge. Commerce, which could have floated the products of farm and factory to every hamlet in the land, was stagnant, paralized by the drainage of discounts.

The merchant marine of the colony was driven entirely from the ocean, and many of the industries had already passed, with the marine, into the hands of foreign nations, of cheaper money and lower interest. Everywhere and every move was feeling the pressure of interest. What little money came out could no longer circulate in the channels of industry and commerce. The centripital force of interest was drawing it constantly to the centers. From such centers it could only be dislodged by the execution of new interest drawing notes and mortgages. It was officially computed that every dollar of money extant had in existence a progeny of fifty interest drawing obligations, the annual tribute on which was twice as large as the whole

amount of money in the colony. Thus the colonists were involved in a terrible monetary whirlpool. The increase of notes raised the stream of interest, and the swelling of this stream was raising still higher the stream of notes. Each of these streams was both cause and effect upon the other, and their ever increasing volume and force was scattering dismay among the industries, threatening to ingulf them all.

Yet the universal cry of the sufferers was for "more money," which as the machinery was working, would raise still higher the destructive streams of loans, notes, interest, mortgages and foreclosures, cause greater pressure and quicker ruin. Wolves, from the legal tender den, were ravaging the colony, and the colonists were clamoring for more wolves. The Governor's decree had turned the monetary system into predatory beasts. What was needed was not to increase the number of these beasts, but to change their nature or destroy them altogether, and fill their place with useful domestic animals. What was needed was to turn the system into what it pretended to be, a "means of exchange," instead of, as it was, a medium of loans and instrument of bondage.

All reasoning with the Adventurers and incubator men, in reference to lending at interest, showing how it was contrary to religious principles, how it

was destroying the energy and liberties of the producing classes, and at the same time demoralizing the recipients, proved unavailable. Their very temper, however, indicated a consciousness of being wrong. The kindest expressions were instantly met by the brusque questions, "shall not a man have the right to do what he pleases with his property? Shall he not have the privilege of investing his means to the best advantage? Shall he not have the right to bequeath such rights to whom he chooses?" Then add: "The people are not obliged to borrow." To all these questions we did not hesitate to answer "yes," provided by so doing a man does not encroach upon the rights of his fellow beings. "We did not believe that a man had any more right to rob, oppress and enslave another by deception than physical force." Governments profess to be established for the protection of the weak against the strong. Such protection should apply more especially to "mental force," because such force is far more potent for evil, as well as for good, than "physical." "Again," we continued, "those who bear the burden of interest are more numerous than those who receive it. They should be objects of solicitude and entitled to the same degree of elevation and enjoyment that money lenders obtain. Besides, there is danger ahead, we said, if we continue this oppression.

Mark that the oppressed multitude have within their own ranks the physical and mental power to turn oppression against the oppressors. They are becoming conscious of this, and restless. They did so once in France against political oppression. They may be slower in the case of financial oppression, under the impression that, to go in debt and lose property, is a voluntary act of their own; but, when they come to comprehend that it is not so; that the condition for borrowing money is made compulsory by a barbarous law, they may change opinion. In that case, if they do not uprise and overthrow such law, they may, at least, cease lending their physical support in enforcing it.

But, waving all such dangers, which we earnestly desire to avert, we do not concern ourselves, we added, about the right of individuals to loan money at interest, or do what they please with their property. We claim such rights ourselves and therefore must grant them to others. Our concern is for the poor beings who are pressed to borrow and pay that interest. They are the ones we wish to liberate from thraldom, and do it, if possible, without detracting one single comfort from the recipients of interest." Here came to our mind the first instance, in our travels over the earth, when we were forcibly struck by the injustice of slavery, which we related. "A stout negro man was helping us

plant a vineyard, and every Saturday evening a fat, lazy woman came to draw his wages, not leaving the poor man as much as one dime to treat his children to candy. He and his children "belonged," (horrible expression), to that lazy woman, and she was morally unconscious of wrong in collecting and appropriating the poor man's wages." Then getting somewhat excited, we proceeded. "Financial bondage is far worse than personal slavery. The money lender has no personal attachment to, nor sympathy for, his debtor. He can coolly turn him, and helpless family, out of home penniless, and feel perfectly callous about their sufferings. Slaves feared no such treatment. After all, they had a friend in their master. They were part and parcel of his household. Yet the days of slavery are numbered. It is doomed to be wiped out from the face of the world. But here exists a relation between man and man, which is worse in its effects than slavery. It should be the object of legislators and good governments, religion, the moralist, the ultimate result of scientific discoveries and mechanical inventions, the aspiration of every intelligent being, the acme of civilization to establish on earth perfect liberty, political and financial. Earthly happiness can never reach its possibility without it, and such liberty will never reign supreme, as long as there remains a vestige of

such social relations as king and subjects, patricians and plebeians, lords and serfs, masters and slaves, landlords and tenants, employers and employes, creditors and debtors. These relations are synomymous and differ in degrees only. Every one of them is antagonistic to liberty and happiness; therefore should be abolished as rapidly as practicable, without causing too great a shock. We believe that all parties will gain by the change.

THE FRUIT POINTS THE TREE.

Institutions of men can only be judged by the fruit they bear. Let us apply this rule to the monetary system of the colony. We give here the condition of things in the best, largest and richest city in the colony, as reported by an association whose object was "the promotion of morality," and not to cast blame upon the monetary system. We quote from a very reliable paper.

"THE LABORERS HOUSES IN THE CITY."

"Some startling and painful facts were brought to light at a conference of the societies for the promotion of morality held in the city this month. In a paper read on the "housing of the poor in the city," it was stated that the half of the dwellings consist of one room to which, in some instances, is added a cup-board. In one of these rooms are often found sleeping from ten to fifteen persons, old and young. One hundred thousand persons and more sleep in cellars and attics. The prices for room are high, and one consequence of this is,

that very many thousands of abandoned women in the city are received into families as lodgers, with a view to lessening the rental. They are the ladies of the house, and both parents and children, at first, shun them. But the latter, seeing the idle life these city lodgers live, and the beautiful clothes they wear, soon learn to enter in the same awful course."

Such is the result of this monetary system.

A thousand years under this system, with thousands of mechanics seeking employment every year, with rock, clay, sand, lumber and iron in abundance all around us, will not allow us to build decent houses for our inhabitants; while a few years under a rational system would place every family in a palace.

Alas, that an element which is not necessary to and does not enter as a component part of man's dwelling, should be considered the only essential element in the construction of the same, and that its absence should force thousands of human beings to huddle in tenement houses as brutes! The city described in the report of the above association is no exception to all other cities in the colony; and wherever the same monetary system has been in operation in the world. The poor, in all, are in the same deplorable condition. These cities may all be properly defined as "guilded rims of opulence,

surrounding an abyss of misery, into which the children of the wealthy are constantly dropping."

While we were reading the above report to a cluster of friends, and deploring the facts, one of these friends, a Frenchman, remarked that "millions of workmen in his country had been, generation after generation, living in narrow, uncomfortable, windowless adobe shanties, and not a thing have the successive Governors of that country done, or as much as proposed doing, to improve the dwellings of the poor." "Instead," he added, "our Rulers have wasted time and means in military flummeries, vain display, and dissipation. Meantime our Adventurers (and France has not been spared by that class), have ever been busy devising schemes, by which they could cast the gold hook and draw in the products of labor; while our benighted people stood ready, mouth ajar, looking for the gold hook to catch the enticing bait. "And now that France is basking in an atmosphere of political liberty," he continued, "our leaders care nothing about 'houseing the poor,' but calculate, with Adventurers, the amount of gold or notes (not of men and materials), necessary to bridge the Straight between France and England, and what 'revenue' the bridge would bring to them.

Always scheming to draw 'revenues' from, never to advance the welfare of the people at large.

OPINION OF AN ADVENTURER AS TO THE WORKING CLASSES.

We had a conversation with a personal friend, who belonged to the capitalistic side, (at this time the colonists were already divided into two classes, viz: Capital and Labor, and the line was drawing tighter every day). We had a conversation, we said, about the condition of the working classes, asking whether he did not believe that something should be done to better that condition and thus avert possible future trouble. "It would be a grand and benevolent act, but it is an impossibility," he answered. "You see," he added, "machinery is the speediest and cheapest worker we have. It needs no rest, feeds on coal and wood, drinks only water, and requires but a few hands to tend to it. and these mostly women and children, who work for lower wages than experts. The balance of the laboring classes we have no use for. We do not want to fill our houses to overflowing with furniture, clothes, food, or any other commodity of which we cannot make use. Consequently when the demand for goods cease, we are bound to stop production, and, of course, turn the workers out of employment. This is what makes so many tramps in the colony. We regret it, but cannot prevent it. It comes in the nature of things as society pro-

gresses and mechanical inventions are made." "Of course," he continued, "these tramps get hungry, and hungry men become unruly and even dangerous to the better portion of society. Some of them have already become so bold as to parade the streets of our large cities, bearing flags with ominous and threatening inscriptions, and clamoring for 'work or bread,' calling our good Governor himself hard names, as if he were the cause of poverty. What has our Governor to do with inventions, overproduction, work or wages? He cannot compel people to buy beyond their wants, nor can he compel Adventurers to employ labor at a loss. This is the land of liberty, where everybody does as he or she chooses. We pity these tramps, but their case is beyond redemption. We wish them no harm, yet we must caution them that it will be better for them if they do not interfere with the laws of the colony, else they will be made food for powder and lead." "I tell you friend," he went on, "the only remedy we can see is a war to kill out the surplus population. In a war, these tramps would be despatched quicker, and therefore more mercifully, than by the slow process of starvation."

We could but be deeply affected by such views. Oh, horror of horrors, we ejaculated within ourselves. Was this to be the final ending of inventions. It cannot be. A merciful Creator would

not have endowed man with genius to invent his own destruction." Nay, on the contrary, he has endowed every animal with more or less, but man above all, with means of defense and protection. Invention cannot be but one of these means to increase production and meet the increase of population. This within ourselves. Then, regaining composure "but, sir," we said: "It appears to us that you have not the right conception of social affairs. We remember reading a book, written by Malthus, in which he predicts the time would come on earth, when 'population would tramp upon the heels of food.' Malthus means, of course, a time when the earth would not produce sufficiently to maintain its dense population, and advises that, either prudence should restrict the increase, or when that fatal day should come, a part of the population would have to starve. It seems to us, sir, that you have the doctrine of Malthus end foremost, viz: the cause for the effect. You argue that men should be killed, not because of a scarcity of food, but, on the contrary, because we have too much of everything with which to feed, clothe and house them. To illustrate: would it not be horrible to hear of a father, who cherished his children as long as he had to struggle hard to support them, but who, the moment he should invent a machine, or discover some method with which, or by which

he could produce more food than needed, should turn to killing these children, lest he be overstocked with goods himself? And would it not be as horrible for the whole colony to do the same thing? A bountiful Creator has certainly loaded the table abundantly for 'all' his children; a stupid Governor decrees, that none shall partake of God's bounties, except those who are provided with legal tender gold spoons and forces the famished multitude to starve in sight of plenty. Now, you say, that it would be more merciful to shoot the starving ones at once! Allow us to suggest, that it would be far more merciful and more reasonable to repeal a barbarous legal tender gold spoon law, and let all to the table and partake to the extent of their contributions." Thus we reasoned the matter with our friend. With what result he did not express, but he left in a very thoughtful mood. Thus we had come to a pass, when, to talk with the suffering workers, we were grieved by their chronic gold craze; to talk to the Governor, we could not make ourselves understood, and to talk with Adventurers, we were struck with horror by their principles and views; while all around us we would hear the benefits of gold eulogized, and its "intrinsic" power to develop industry, and lift the human race from poverty to opulence, exalted to the skies. A barbarous decree had forced production and

commerce to pass through the "needle's eye" of a scarce, insignificant metal, thus fixing the limits of progress to the limits of that metal, then point to gold as the promoter of industry and commerce. As well may we, by law, restrict a people to raise corn with no other implement than the 'pick,' then, when hunger should press that people to exert themselves to desperation to raise corn enough to subsist, eulogize the 'pick' as the instrument, "by excellence" for raising corn. Paradoxical as this comparison may appear, the pick would hold the supremacy over gold, for it is, at least, an instrument on the line of the desired object, while gold is of no utility to production or distribution, has no relation whatever to man's activity, and the infatuation implanted in the brain of man by the enforcing act of legal tender, makes it the heaviest impediment to that activity.

LABOR MOVEMENT.

The downfall of the working classes in the colony, the robberies to which they had been subjected by Adventurers, nay, even by the Governor himself, especially in selling them into bondage for many years, coupled with the despair of ever seeing their reason, in regard to gold, restored, had so fatigued and depressed our mental faculties, that we decided to retire to the wilderness for a few years' rest. Do what we may, however, it was beyond our power to separate our thoughts altogether from the condition of affairs in the colony.

One night, as we lay in our hammock, in the hunter's cabin, we fell to dreaming, and in our gloomy imagination we saw the river, which meanders through the colony, unusually full. Continued rains, it appears, had raised its waters over the banks. It was turbid, yet level and calm. A white man stood on a high point on the banks watching drifts and logs floating down the stream. A short distance below him a group of negroes were apparently intent on the same sight. Of a sudden, the man moved down to the negroes, and

"boys," we seemed to hear him distinctly say, "if you catch those logs, I'll give you the half of them." Then, with one accord, the negroes seemed to strip off their clothes and swim for the logs. Such was a common story we had often heard in our young days, and which came uppermost in our incoherent dream. After this followed a new panorama on the river. The negroes, it seemed, had been supplimented by a multitude of white men in the chase after logs, and the white man, who formerly had "given the negroes employment," had been made rich by his portion of the logs, possessed pleasure boats, swift yatchs and magnificent steamers, on which he and his were now floating leisurely up and down the stream, enjoying the balmy air and the sight of his thousands of employes, while the latter, head above water, were struggling to catch logs, no longer at half, but whatever the boss choosed to allow them. Here and there an employe would give way, under exhaustion, and sink, but it created no alarm. It seemed to have become a usual occurrence. Again we dreamt the scene had changed once more. The waters on the river were clearer and smoother than we had ever seen them before, and boats, yatchs and steamers beautified the landscape. On a sudden a strange phenomenon took place among the floating heads and waiving arms. It seemed as if a whirlpool had

engulfed a group of men. We saddened, yet could not prevent thinking that, perhaps, their condition in a future life, would be better than in this, seeing how hard their lot had been.

Shortly, at no great distance from the spot where the first group went under, we caught sight of similar accidents, and soon whirlpool followed whirlpoo until, we feared, the whole host of floating misery was about being swallowed up by the waters, and thus end forever the monetary system and all its victims in the colony.

We awoke heavy headed and heavy hearted, but relieved that it was only a dream. We narrated our dream at the breakfast board, and the hunter's wife, who claimed to be a fortune teller, interpreted it as portending trouble in the colony. We proceeded hither and found it upheaved with "Labor Organizations." Almost every trade, profession and calling had formed a "Union," or "Association," and many of these unions had already entered into a federation.

"What does all this mean?" we inquired. We were told that the workers had organized to protect their interests against the impositions and exactions of the capitalists, (meaning the Adventurers).

"What!" we exclaimed in fear, "are we already involved in a revolution?" "Are you going to

drown the labor question in blood?" we asked. "God forbid. There is no need of it, and besides, killing the Adventurers would not cure the gold lunacy, and consequently would not better the condition of the working classes. On the other side, if we could cure their lunacy and clear the people's mind, so that they could see how mere gold dust, no matter how manufactured or coined, has not the least power to help human beings, the gold trouble would all be over, and the Adventurers could no longer do any harm. Oh, let us set our efforts in the right direction and avert a useless and destructive revolution," we finished by entreating them.

Naturally we became very anxious to learn more about this "Labor Movement," as it was now called, and repaired to an intelligent friend of ours, who belonged to both the union of his own trade and the federation. He was a shoemaker. "What is the matter with the working classes?" we asked. "Making ready to fight?" "No," he replied. "We have not the remotest intention of fighting. We have organized to 'protect' our interests." "Against the Governor's legal tender decree?" we eagerly asked again. "What about the legal tender decree?" he questioned "We have nothing to complain about legal tender money, if that is what you mean. We only want enough of it. We do not get money enough in our wages," he continued,

" that is what hurts the working classes. It is ' competition ' that we are going to put down. We have been competing with one another, each offering to work cheaper than the other, until our wages are so low that we can hardly keep body and soul together. We cannot furnish our families with a sufficiency of the coarsest food, we cannot clothe our women decently to appear in society, we cannot educate our children, nor afford the commonest comforts and pleasures of life, although we know that our combined labor produces the whole of these comforts," and he went on. We resumed. " But, we hear that the Adventurers have also organized into monopolies and trusts to stop competition. If so, then, to all appearances, competition is going to be ground between the two millstones of capital and labor. Nay, we also heard a farmer say that " the monster evil, which is oppressing the colonists, is that the Adventurers are destroying competition, and that they, the farmers, have organized to have competition restored. Again, it is said, that farmers, in some parts of the colony, have almost compelled the local authorities to pass laws, forbidding Adventurers to combine and destroy competition. There must be some misunderstanding between farmers and mechanics in this labor movement. Unless the two great classes of producers harmonize, suc-

cess will be impossible," we said. "That is so," conceded our friend, "but we do agree with farmers that Adventurers have no right to form unions and put down competition," said he. "Competition then, we reasoned, according to your opinion, should not be stopped, but only driven from the ranks of labor into the ranks of capitalists," and continuing: "It seems to us very inconsistent and unjust. But let us hear how you are going to drive competition from among shoemakers," we asked him. "We have entered into a mutual agreement in the Union," he answered, "that none of us shall work at less than a certain amount of money per day." "Suppose," we querried, "that the Adventurers refuse to pay you the rate of wages fixed by yourselves, what would you do about it?" "Stop working, 'strike,'" he replied. "We must confess that we cannot see how you will be able to obtain more money either by merely demanding it, or by stopping work," we said. "Consider that adventurers are but a handful, after all; that they need but little of your labor for themselves, that they own all the money in the colony, except a few scattered pieces, amounting to nothing, and that many, very many, colonists, go now almost barefoot, because they are unable to buy shoes at the present prices." "Thus, assuming that the Adventurers grant your request, they alone would

be able to pay the enhanced price of shoes, and, as we said, they need but very few of the finest. On the other side, apart from the many, who cannot buy now, many more, who do buy, would not be able to go higher, and hence the shoe trade would be very much reduced. So we think that you will come out the losers in the end, instead of gainers, by such process. When the amount of money is about fixed, as it is under legal tender gold, the higher is the price of commodities, the lower will be the consumption, and consequently less also will be the employment of labor. Besides, suppose that other trades organize also, (which they will be compelled to do when one trade has organized), to have their wages raised in money, would not that fact raise the price of the articles they make also; consequently would you not have to 'pay more money' for every article you use or consume, except shoes? In that case where would your gain be? Can you not see, friend, that this 'higher wages' affair is not a contest against 'competition,' as you seem to think, nor against Adventurers, but a contest in the labor ranks, among the different trades themselves? If this is the objective point of all this labor agitation in the colony, instead of ameliorating the condition of the workers, they will drive one another speedily into utter ruin. Again, suppose that all the trades ob-

tain more money for their work, they would not better their condition one whit by it. Let us illustrate this point. For the sake of understanding, imagine all trades were working for one particular Adventurer at 'one dollar a day,' each. At the end of a week each worker would have 'six dollars in money,' and the Adventurer all the product of their work. Now the Adventurer is wise enough to know that the workers cannot live on the money they got, but will be compelled to come to him and purchase back the products they have parted with. Workmen do not seem to see this most important fact, viz: that they first sell all the products of their work for money, then are by nature forced to buy those same products, with that same money, in order to live. When the Adventurer secure the products of labor, which is absolutely necessary to human existence, and give the producers a trifling stuff called money, which is not fit to support life one instant, he well knows that he has these producers completely under subjection. He never will surrunder 'all' the products he has in hand for the money he parted with, and thus the workers never will get back 'all' their products for the money they obtained in wages. Here in this vicious circle of money and products, and products and money is the labyrinth, the glen or the den where labor is robbed and Adventurers get rich,

besides, the great bulk of wealth they derive by interest, rents and foreclosures. If all the trades were working in one room and under one leader, appointed by the Federation of Trades, they would soon discover this very important fact, and at once set about to abolish the wage-system altogether. They would devise plans for exchanging products mutually, without passing them through the toll-gate of money. But, separated as they are, the complication of exchanges obscures this fact. Shoemakers, of course, do not go to market and purchase back the shoes they made, but buy every other article that their comrades, in other trades, made, and these comrades come to buy all the shoes you made. Now, to continue the illustration, suppose all of you get dissatisfied with the one dollar a day wages, demand two dollars and strike to obtain it. How will it be then? Leaving aside any personal animosities, and assuming that the boss Adventurer is willing to do what is right, the question would be confined to one or the other alternative, viz: either he has the two dollars to give, or not. If not, then the contest is at an end. You may continue your strike forever, the double money wages will never come. Striking does not make the money. If, on the contrary, he has the two dollars to give, and pays it to you, will he not be obliged to double the price of your pro-

ducts at the same time? and therefore will he not realize the same profits out of you? Who is it that would have to pay that higher price but yourselves when you purchase back your goods? Accordingly, if the Adventurer had it, he could pay each of you ten, twenty and any number of dollars per day, and you would remain as poor as at one dollar. The fatal mistake you make is in believing that money constitutes your wages. What you make is your wages, and it is to what you make that you should learn to hold and to exchange among yourselves by co-operation. Money is but a deceitful mirage to allure you to ruin.

There is another point of the utmost importance in this wages question. It is that 'the more money you demand for your work, the fewer men can be employed, and consequently the less products there will be in the colony to consume.' Thus the higher the money wages, the poorer will be the whole colony. Let us illustrate this other truth. Suppose the colony was but one large family, and that all the money we had in it was but $1.000. At one dollar per day wages, we could employ 1000 men one day. In the evening we would have the products of 1000 men among us. If the next day the boys strike and demand two dollars per day, we will only be able to employ 500 men, and in the evening would only have half the product to devide.

Millions of persons are out of employment now from lack of money to employ them. More would certainly have to be discharged, if it should take more money to employ those occupied. It is plain to see, if we will only turn our attention to it, that money is neither the wages of labor, nor the measure of labor and its products, nor, finally, the welfare of the people. If we count on money, wait for money, measure things by money, depend on money, we will always be led to the very opposite of where we desire to go. Take the word price, for instance, which is entirely measured by money. Low prices mean 'abundance,' high prices mean 'scarcity' of anything. Now should we not prefer abundance to scarcity? Yet strange, we all desire high prices, believing that they would make us richer! Even our Governor works to obtain high prices, putting a tariff on foreign goods, in order to maintain such prices for goods we make at home. And high wages, in money, is the primary cause of high prices."

In conclusion, we said to our shoemaker friend: "The only way by which you shoemakers can be benefitted by high wages would be by keeping down the wages of every other trade. Thus, when you demand, in your declaration of principles, higher wages for yourselves, be sure and demand, at the same time, that the wages of all other trades be

kept low; for, if the wages of all other trades, especially of farmers, be raised simultaneously, no one will be benefitted by the operation. The cost of living would go up, as wages would rise. We therefore, repeat, that if the battle of labor is to be fought upon the line of higher money wages, and high prices for products, our doom is already sealed. Workingmen must learn to respect themselves, and value their own products above any amount of money. They must value a sack of flour for the food that it contains, and not for the dollars that they may get for it. Let them ever remember that the Adventurer, who gives dollars for the flour, expects always to get, mostly from workingmen, more dollars back. So hold to your products, and learn to exchange them without money."

Our arguments with the shoemaker were not altogether lost, as he was the means, through whom we had several invitations to lecture before Trades Unions, and it appeared to us that interest in our views was gaining ground very rapidly.

CELEBRATED MEN.

Social movements will always bring to the surface men of talent, who otherwise would have gone to their grave in obsecurity. As soon as the Labor Movement assumed importance, eloquent speakers and writers of eminence took up the cause. We listened attentively to their speeches, and read eagerly their publications, expecting that some one would discover the rock against which the industry and commerce of the colony were wrecked, viz; the legal tender decree.

Among these eminent writers towered Henry George and Edward Bellami. But Henry George stranded upon the hobby that "private ownership of land" was the cause of all the ills the colony was suffering under, not considering that landlordism was itself but one of the effects of the immense power conferred upon gold by the legal tender decree; that the former owners of land had lost it, either to obtain gold, or because of a failure to obtain it. Mr. George must have heard many times, as we did, colonists complain that "they were "land poor," for the taxes and mortgages on

the same, were dragging them down into poverty. He surely never heard a man complain that "he was money poor," for that was the element which controlled everything. Mr. George must have seen the colony pass through many money panics, that is, the whole colony in trouble and distress because of inability to find money. He surely never witnessed a land panic. He must have seen, in times of these money panics, men imploring creditors to accept land, at the value it was estimated at the time the mortgage was given, and, upon refusal of the creditor to accept the offer, lose three times that value. Mr. George must have noticed the price of land go up, when money was plentiful, and go down, when scarce, independently of all intrinsic value of the land itself. In conclusion Mr. George should have seen that the land owner was always in subjection to the money holder, and in millions of cases, was captured and reduced to poverty by said money holder, but never did a land holder bring into his subjection a money holder.

Notwithstanding these universal facts before him, Henry George advocated a remedy, which, if adopted, would have crushed the last spark of prosperity out of the working classes. He advocated taxing the value of the land, to compel its surrender to the Governor, then rent it to those who had the most money. If we had been an Adventurer,

we would have accepted Henry George's doctrine at once. Workingmen would not then have had the ghost of a chance for a home. All their savings put in a lot, and the modest home built on it, would be swept away, without compensation, by a rise of value, and consequent high taxes, caused by the palaces built on adjoining lots. All men of small means would have been "dogs in the manger," and driven away by more fortunate Adventurers. Mr. George, we believe, never stopped to ponder over the meaning of those two words "value" and "tax."

On board a sailing vessel, where passengers have paid for their board, bread has no money value. During a protracted calm, passengers may be limited to half and quarter rations; yet bread would continue valueless. But if the commander should post up, "bread for sale," the value of it would, at once, rise beyond the reach of the poor. Yet many of these may have money enough to obtain a few loaves. Now if Henry George should persuade the commander to levy a tax on the 'value' of bread, in order to compel its surrender, would it not compel the poor, who have no more money to pay the high tax, to give up the last loaf they have in reserve? Only those who have money enough to buy the bread, and pay the tax also, could expect to live on that vessel. A tax is no equalizer

of fortunes. It is a burden on the poor. Away with money "value" and extra "taxes." They are one a deception, the other an oppression. Neither can raise the condition of the human race in health, wealth, prosperity nor happiness. In his 'Social Problems' Mr. George says that "the ideal social state is that, in which each gets in proportion to his contributions to the general stock." Hail this truth. Hold to it Mr. George, and do not be mislead by abstractions, such as "value," or absorptions like a tax.

Edward Bellami wove an attractive story, in pleasing language and pictures a socialistic paradise, to which the working classes would attain after a few generations had passed away. The ways and means to that paradise he fails to point, except that he paints the road to it as passing through a social forest of midnight gloom, a total subjugation of all the industries by a despotic universal trust, made up of a small hierarchy of unfeeling idlers, in possession of all the sources of production, avenues of distribution and social intercourse. He is emphatic in impressing the living generation with the hopelessness of attempting to resist the onward march of the advancing car of Juggernaut, which he presents as a fatal cataclysm in the very nature of industrial progress.

Yet in the face of this darkest of all periods in

human history, Bellami endeavors to cheer us, under the crushing wheels, by the hope of a brighter day in store for our great grand children. Religion preaches submission to wrongs, but, as compensation, offers a paradise immediately after death. Bellami inculcates the same submission, without hope of reward to us, nor to our children. Moses saw, at least, the promised land at a distance. Bellami shows us ours on the canvass of an imagination, blurred by despair. If Bellami had built his "Social Eden" in the moon, and enjoined on the living to never attempt the building of ladder or balloon, wherewith to reach it; but, on the contrary, to suffer oppression with resignation, to the end of our days, and teach our children to imitate our examples, without hope, to the end of their days, until in the course of human progress, said "Eden" should fall upon their children of its own gravity, he would have done the struggling masses about as much good. Nay, if Bellami's station in life is, as he presents it in his book, on top of the social "coach" with the oppressors of labor, and his intention is to put a quietus to the already threatening, and ever growing agitation among the masses, who pull at the rope, he could not have selected a better method of destroying their hope.

It may be "in the nature of progress" that the

producers of all comforts shall never enjoy any, and that an idle class may subjugate all industrial classes, as priests and warriors have done in the past, but it is not 'in the nature of man,' especially civilized man, to suffer wrongs without resentment. Hence it is also "in the nature of things" that as oppression becomes heavier, resistance will increase, until the irrepressible conflict comes and the strongest will survive. Mr. Bellami has done however much good. He has awakened a deep sentiment to possibilities in the human race. He has given direction to the incoherent aspirations of the poor. But so unsatisfactory is his solution of the labor problem through inertia, that believers in his paradise are already organizing for active operation to attain it.

PUBLIC MEETING.

At a public meeting of workingmen, to which we had a special invitation to speak, we held the following talk :

" Workingmen and women of all callings :

Let us reason the condition of labor together in a calm, dispassionate manner. And first let us ask you: is it not true that you can do as much work in a day and produce as much of anything, whether you are paid ten dollars, one dollar or no money at all ? Is it not true that your ability, your skill and your physical and mental strength is within yourselves, and not outside in lumps of gold, or slips of paper, with which men claim to pay you ? Friends, all the wealth we see to-day in the world has been produced by working men and women, devoting time and energy at it, and not by so much money. Who knows, or cares to know now, how much money, or what pay, those men and women got for bringing the wealth of the world into existence ? When we find that those who created this wealth are paying rent in tenement houses, on the outskirts of cities, and in desolate houses

throughout the country, while those who merely ordered that wealth produced and claim to have paid for it, are living in palaces and enjoying the comforts and luxuries of civilization, in possession of both the wealth and the pay, we cannot but infer that the workers must have received little pay and a very treacherous pay, for, by it, they have lost all the fruits of their toil.

From such grave facts, we deduce, that the first move that labor should make, towards its liberation, should not be to have that pay or wages increased, because, as we stated, it cannot increase neither your ability to work nor the products thereof, but abolish that pay, or wage system, altogether. If this pay was abolished, it would cut off the speculator altogether, and leave the workers in full possession of all the wealth they produce. Can this be done? Of course it can. If, as we said, Labor can perform as much in a stated time, whether paid in money or not, it proves that money has nothing to do with the work. Hence if labor cuts off the money pay, in so far as the wages system is concerned, and, with it, all the claims of Adventurers to the fruits of your work, will be cut off also, and the threatening Labor and Capital question would be settled without a contest. If workers had suppressed that pay, say ten years ago, they would now be in possession of all that

remains of the productions of the last ten years. Cast a glance over the colony and see the volume of wealth which has been produced the last decade, the food the clothes, the improvements, owns, and palaces in cities, see the railroads, factories, etc., behold what mighty things you did the last ten years, then tell us, whether you would be paying rent in uncomfortable dwellings, the work of your own hands, in inferior parts of cities and towns, if you had been wise to hold that wealth in your possession? Some of you may think that labor had to live, and was so poor, that it had to accept wages, and with the wages, it lost all the remains of his products over and above a mere subsistence. Well, let us consider this point. Did not labor raise and prepare all the food, make all the clothes, and everything else, which was consumed to support life the last ten years? Consequently, did not labor support itself (and Adventurers too), while making permanent improvements. When we say 'labor' we mean the workers in all departments of industry and commerce. Of course each trade by itself, separated from all others, cannot declare its independence; but half a dozen trades, forming a Union or Federation, can bid adieu forever to Adventurers and their pay. These Adventurers, with their money, owing to the worship of that money by the colonists, stand between the

various industries, keep them from exchanging goods and services among themselves and get possession of the "permanent" product. Adventurers know, that the day when labor will thus cooperate, their occupation will go with the lost arts.

This is what labor should organize for, viz., to remove the power of money from between the different industries and allow them to come to a harmonious and equitable interchange. Labor should flank this baneful power of money, drive the Adventures from their first entrenchment, the wage system, and force them to move their artillery and munitions to their second range, the markets. On these markets the Adventurers capture the products of that other class of workers, who sell what they produce, after they have finished it for use, such as farmers and manufacturers. When these products are brought to market, they are entirely at the mercy of the money power. This power fixes what is called the "price," and producers are forced to take it.

Again, like the wages pay, this "price" pay has nothing to do with the quantity, quality and usefulness of the goods. Nor has it anything to do with the relative value of such goods among themselves. Suppose, for instance, a miller brings to market a sack of flour, and the money power fixes the price of it at $2.00, and a hatter brings a hat,

which the same power marks also at $2.00. Does that fixing and marking of price show the value of the flour or the hat? Not a bit of it. It only shows what the money power will give for those articles. True values and human wants are not considered at all. The flour may have cost twice as much labor to produce as the hat. The farmer and miller may be losing by selling at that "price," while the hatter may be making a fortune at his.

The value of merchandize should be made up of the "labor" bestowed upon it, and not out of the whims, caprices, or even wants of a man or a few men, who happen to have money. Yet, alas, this is universally the case. Miller and hatter bring their produce to market. A thousand men on the same market may be hungry and hatless. They and their wants have no bearing upon the "price" of flour and hats. A man of money has all the flour he wants, but needs a hat. So, at the bidding of this one man, flour will be a "drug," and hats in demand. They tell us that supply and demand regulate "prices." It is a delusion. The quantity of money regulates prices.

Supply and demand have long since ceased to rule markets.

The co-operation of producers, and the adoption of some equitable plan of exchange, to avoid forcing their productions through money, would drive

this power from its second entrenchment, the market, and confine its devastations to interest and rent. Again as we will endeavor to demonstrate, it is in the power of labor to cut off these two exhausters also, by ceasing to borrow money, and building its own homes. Thus will end the worst tyrant that the human race ever suffered under."

When we thought we had done, a gentleman in the crowd arose and "I tell you, sir, what ruins the working classes," he said. And what is it, friend?" we asked. "It is 'extravagance," he promptly replied, and continued: "They are trying to ape after the rich, when they cannot afford it. I know mechanics, whose wages do not exceed ten dollars per week, having lace curtains to their parlor windows, and Brussels carpets on the floor. Then their wives and daughters come out on Sunday in silk dresses, and, if you visit them, they have cakes, pies and lots of delicacies on their table. Some of them have organs, and some even pianos, on which the girls bang all evening long, and talk 'college talk' to young men. How can mechanics pay rent on a respectable house and keep up such extravagant families out of ten dollars a week wages? He can't do it" he concluded. We replied to the gentleman by asking him another question. "What is your occupation, sir, if it is not improper?" "I am employed in the furniture

factory," he answered. "And you blame workingmen for buying furniture do you?" We again asked him. "If they do stop buying, friend, you will not be employed long. What furniture the rich would need could soon be supplied, then the market for it would end and the factory close. Do you not know that it is the efforts of the working classes to live, dress and furnish their houses as civilized persons should do, that keeps three-fourths of the workers employed?" Do you not know that if, of a sudden, they were to lose all self-respect and affection for their families, stop dressing them respectfully, furnishing their homes attractively, cheering them with music and sending their children to college, or, in a word, stop what you call extravagance, do you not know, we say, that the whole fabric of our boasted civilization would crumble into ruins? True, if only one, or very few, of the working men were to turn misers, "they" would get rich, but their wealth would come from the ruin of others. If a furniture maker, like you, would stop buying fine clothes, lace curtains, Brussels carpets, and pianos, he will of course, save all these expenses, but will he not stop the making of all these articles to that extent? And how will then the workingmen in those industries be able to purchase furniture from him? Let us tell you, friend, that, if you try to better the condition of

the working classes by the way of "economy," that is, by closing out the market, for what they produce, you will drive them speedily into a mass of misery. Let Adventurers advocate such doctrine. They are the ones to profit by it, because, when labor is driven out of employment by such policy, they will be able to hire them cheaper. But let no such doctrine enter the brain of the workers.

The gentleman confessed that he had not looked at the question in that light, and seemed repentant.

Again a rather poorly clad workman arose, and "what can we do, when we have nothing but our labor to sell, and no one to buy it but Adventurers?" he asked. We replied by enumerating the resources in the control of labor.

1st. You wield the grandest power on earth, compared to which mountains of gold and money avail nothing. We mean the power to produce wealth. Without it the human race would perish.

2d. You have it in your power, jointly, to make or unmake the prosperity of a city, town, railroad, mine, factory or commercial house. None of these can live if you withdraw from them.

3d. You possess yet vast material resources and means for production, especially in the hands of the agricultural class, who are the foundation of all production.

4th. You hold a complete ascendency over

money and capital. The power of money will only last as long as you choose to surrender labor and services to it. Capitalists would never buy a piece of land or lot, build a house or factory nor open a mine, if assured, before hand, that you would not cultivate the land, rent the house, run the factory nor work the mine. It is upon you that capitalists speculate and not upon land, mines, factories or any material object.

5th. In addition to the above enumerated powers, you have within yourselves the all-important one, though you are not yet conscious of it, viz: the power "to make your own money." Let us illustrate.

Imagine a small town, of three or four thousand inhabitants, favorably located as to fuel, water, soil and transportation facilities, should, of a sudden, receive a loan of, say, one hundred millions of dollars, for the term of ten years, on condition that the whole of that sum should be expended in improving the town and its surroundings, each citizen receiving a proportionate share of the loan. What would be the result? The value of real estate therein would, at once, rise; labor would all be set to work at remunerative wages, (we speak here from the standpoint of the people, as wrapt in their money prejudices), improvements spring up in all directions, magnificent buildings, vast manufac-

turing plants, commodious residences, broad streets lined with shade trees, public parks and fountains would rise as by enchantment. The "boom" would fill the pages of the press. Railroads would direct their lines to the live town; farmers, far and near, would send their products therein. The small town would, in a short period, assume the proportions of a metropolis, with theaters, opera houses, street cars, cable lines, schools, colleges, cathedrals, merchants exchange, clearing houses, etc.

Now let us consider the financial aspect of that phenomenon, under various conditions.

1st. If said money had been loaned at ten per cent interest per annum, at the expiration of the ten years, the original sum would all have gone back to the lender in interest. Money in the city would be extremely scarce, business stagnant, improvements stopped, labor unemployed, and the value of real estate extremely low, yet no sales; merchants and manufacturers would fail, and, when doom's day had come, that is, when the day of paying the principal had arrived, the city would have to be surrendered to the capitalist, who loaned the money. All loans of money at interest will return to the lender and carry all the improvements, accomplished through the loan, to him, leaving labor destitute. The time required to ac-

complish this feat is determined by the rate of interest. Accordingly, at the end of ten years, the city, which a short period before was full of life and activity, and its inhabitants prosperous and happy, would be a desolation, and its people charged with the crimes of overproduction and extravagance.

2d. If said money had been lent "free of interest," at the expiration of the ten years, the builders of the city would remain the possessors thereof, but the withdrawal of so large a sum of money, would paralize all industries and commerce, cause hard times, sink all values, and, to a great extent, depopulate the city.

3d case. If said money had been loaned "free of interest," but, at the expiration of ten years, was discovered to be spurious or counterfeit and consequently (believed to be) worthless, it would not in the least change the past progress and prosperity of the city, but its disappearance from circulation would stagnate all business, lower values of merchandise and real estate as much as if genuine gold and silver, but withdrawn by loaners.

4th case. If said money was found, at any time, to be counterfeit or spurious, yet kept in circulation without interest, and the people, within and without the city, would continue to receive it at par, (as the benighted comparison with gold is

expressed), for products and services, it would prove a most beneficent money, and hence a great boon to workingmen, because, the profits of Adventurers being thus eliminated, all the fruits and benefits of labor would remain in the hands of the producers, which is the highest possible rate of wages attainable.

By this illustration we do not wish to be misunderstood as advocating counterfeit money. We aim to prove the important truth, that "whatever thing, metalic or paper, genuine or spurious, which Labor will receive, is good money, and whatever thing, gold or diamond, which Labor will refuse, is worthless money."

It is thus evident that Labor is master of the situation, viz: has ample resources to build upon, can make its own money, become its own capitalist and self employer and thus rise out of all the evils of which it is complaining. To realize this desideratum, requires a co-operative association, embracing a sufficient number of workers of various necessary trades and occupations, so as to afford one another employment and support.

CONSOLIDATION.

While the agricultural wing of the Labor movement was contending against the monster monopolies of the day, endeavoring to check their

aggressions by legislation, the mining, manufacturing and building wing entered into a series of ruinous strikes against their employers for higher wages, which resulted in a great loss, not only to themselves, but to merchants and farmers also, by the stoppage of business, and had consequently a tendency to alienate the two great departments of production, whose union is absolutely necessary to success.

Finally the strikes began to slacken from exhaustion of funds, and with them, relaxed the animus of Labor associations. Meantime the farmers had made no perceptible progress towards checking the growth and exactions of monopolies. Both wings, becoming conscious of their respective weakness separately, began to unite their forces and these united forces moved, at first, in the direction of legislation, clamoring for the repeal of several acts, to which they attributed the pernicious division of society into extremely rich and extremely poor. Their "declarations" of principles and "demands," however, were vague, full of glittering generalities and harmless moralities; hence easily misinterpreted and evaded by the parties in power. Years passed in this polemical contest, and, during these years, monopolies continued to rise in power and producers sink deeper into trouble. At last the largest of labor organizations consoli-

dated their aims. The final result of this was the appointment of a committee of experts to make a broad and impartial investigation into the "Labor and Capital" problem, and accompany their report with suggestions for combined action.

We give the committee's report and suggestions in full.

REPORT OF GENERAL COMMITTEE.

SURVEY OF THE FIELD.

The XIX century will be characterized in history as the period of Labor Organizations. We may find in antiquity instances of workingmen participating in social affairs, as such, but no trace can be found of a movement, on a notable scale, which had any resemblance to modern labor associations, or contained any of the elements and aspirations of the same.

Social movements are the result of surrounding circumstances; and the circumstances, which, in our time, compel labor to associate, did not exist in former ages. Here are the circumstances:

1st. The minute division of employments, which intensifies the necessity for rapid exchanges, and renders each worker entirely dependent upon a large number of other industries, both for materials to work upon, and personal support.

2d. The wonderful progress of mechanical inventions, for rapid production and transportation which turns a multitude of workers out of em-

ployment and kindle a hot competition for place, causing depression of wages.

3d. The accumulation of wealth in the hands of a few powerful corporations, organized for the sole purpose of realizing profits in money, an object which, to better attain, requires, as one of the means, the pressure of wages down to a minimum, and the raising of the price of their products and services up to a maximum. Crushed between these two millstones Labor is forced to seek refuge in Association.

4th. A limited and monopolized legal tender money, which, by insufficiency, leaves a large volume of industries and exchangeable commodities in a state of paralysis, forces millions of men and women out of employment, in destitution and want, and still further intensifies the competition for work, and consequent downfall of wages.

In addition to the above main causes of labor associations, there is another circumstance which facilitates the movement. This is great modern enterprises concentrating under one management large masses of workers, who, like soldiers in the same army, feel a similarity of interests and aspirations, fuse their grievances, and thus open the way for association and concerted action.

When we take into consideration the above surroundings and conditions, it becomes easy to com-

prehend the drift of modern labor organizations, and to infer the object to which, of necessity, all of them are tending.

Some writers on "The Labor Movement," confound modern labor organizations with communistic associations. These two phenomena have nothing in common. Communism is the outcome of religious, especially Christian, sentimentalism, while modern labor associations are the outcome of economical pressure, caused by lack of employment and low wages. Communism originated in the sentiment of brotherhood, inspired by religious doctrines; it draws its devotees from rich and poor alike; while labor associations draw from poor alone, and, at first, form unions composed of but one single trade or avocation. Communism extends the hand of brotherhood to all nationalities, being essentially catholic in principle; while labor associations are preeminently exclusive, and oppose foreign pauper labor. The foundation of communism is laid in ethics, and its aspirations are, not the acquisition of wealth, but peace and good will towards one another on earth; while the basis of labor associations is laid in economy, and their aspirations are permanent employment, high money wages and reduced hours of daily toil. Communism never laid a claim on outsiders, capitalists, employers or rulers, and, during centuries of ex-

istence, never had a strike; while all the claims and "demands" of labor associations are on outsiders, capitalists, employers and governments, and, during the short period of their existence, had thousands of strikes and parties in the political arena. The mere fact that some members of labor associations are imbued with communistic principles, and that communists sympathize with the labor movement, does not prove that these two social phenomena are identical or even parallel. Again, as the four main circumstances which caused labor to associate, exist and are alike in all civilized countries, and under all forms of political and civil institutions, and religious creeds, it should be proof sufficient that, if political institutions, or religions, have any bearing upon the phenomenon, it must be due to such institutions and creeds, which are alike under all governments and religions. This is the monetary system alone. All civilized nations have the same monetary system, and the subjects and citizens of these nations believe alike in the supernatural efficacy of money. This originated in the orient, followed the industries westward, as wolves follow the migration of buffaloes. Like wolves, it lives by depredation, and is equally protected and fostered by all governments, from despotism to republics. Regarding labor associations, governments are generally passive, and tol-

erate or forbid their existence, according as they manifest a tendency to interfere with the powers that be. We see in our colony politicians favor or oppose the movement, actuated solely by the hope of gaining, or the fear of losing thereby. In the Old Country, some rulers are just now turning a friendly eye to them, because they see the time approaching when they will need the physical aid of labor.

Yet governments are generally charged as being the immediate cause of Labor's condition, and those who so believe, socialists and economists of the school of Henry George, advocate political reform, as the remedy.

Your committee will not go to religion or politics, will not apply to communism or governments, for light on the question at hand; nor will they go to either for the remedy, excepting for a modification of monetary legislation. We shall confine our researches and efforts within the battlefield of industry, where alone the contest is raging. We do not, however, deny the fact, that religious sentiments and political institutions could help to allay existing animosities, and assist in elevating the social, and even financial, status of the working classes. But religion and politics, the minister and legislator, could only do so by coming down from their spiritual and civil pinnacles, into the fields of

industry and commerce, and here help to modify the relations of men, and to change the methods of development.

Returning to our subject, and assuming that the reader has well impressed upon his mind the main causes, which concur to depress labor in all countries, as before stated, and, from these causes, he has inferred the object to which labor associations are tending, viz: to secure constant employment, high money wages and less toil, he is now in a position to view the field carefully, ponder upon the situation of the parties concerned and consider how the problem at hand, which is avowedly the Sphinx of this age, may be solved, with the least possible harm.

Let us not fly in a fit of passion, murder some banker, bond-holder or employer, blow up a city or upset the government. Such violent proceedings would only bring destruction upon the perpetrators and retard the progress, and final solution, of the labor cause. No, let us maintain good will toward all classes of men, and apply reason and common sense to the solution of the problem. First, let us examine the social surroundings of labor, and see whether any of the causes of depression, as above stated, could be stopped, changed or modified.

The first of these causes is the "division of employments" reducing each worker into dependence

on a large number of others. Certainly we can not, and should not, if we could, attempt to hinder or disturb said division of employments. It is natural and necessary to the rapid progress of civilization. It is in analogy with the diversity of skill, taste and talent in man, and the diversity of productions on the earth. It is of universal benefit. Eighteen persons employed to make one pin, enables them to make more pins, in a given time, than eighteen thousand persons could, each making a whole pin. The same applies to all other industries. It is only when employments are so divided, when a person is repeating one and the same stroke, that machinery can take his place. In regard to the earth's varied products, it is only when man devotes his time and energy to cultivate those crops for which the soil is best adapted, or to using materials which give him advantages, that the best results can be obtained, and labor most amply rewarded. The minute division of employments increases production a thousand fold. By its wonderful mechanism and concatenation, it enables a person, who pays but one dollar a year subscription on a newspaper, to set in motion a legion of his fellow beings, by day and by night, on land and oceans to search the globe for news, and bring them to him to read at his breakfast board. Besides these wonderful material achievements, this division of

employments tends to unite and harmonize, into one universal brotherhood, the whole human race. Hence, we advise to not attempt to disturb this order of nature and the progress of social and mechanical evolution in this direction.

The second cause is "the progress of mechanical inventions." Shall we endeavor to arrest this progress? Could we do it, if we desired? It is absurd to even mention the idea of checking inventions. We might as well attempt to check the flow of rivers to the ocean, or stop the earth on its course. Besides, if the working classes ever expect rest from their toils in this world, and yet enjoy the manyfold comforts they are entitled to; if they ever expect their hours of labor to be reduced to 8 or 6 or 4 per day, it is to machinery that they must look for the boon, and not to employers or the government, by peremptory demands and strikes.

The third cause is "the concentration of wealth in the hands of a few." What shall we do about this? Shall we gain possession of the government at the polls, then force a division of the wealth of nations among the people thereof? Would such division bring the desired objects, viz: work, high wages and less hours toil per day? Why no. Under the monetary system, the very reverse would follow. No man would be able to employ another. No one could run an enterprise of the least extent.

As well may the stockholders of a railroad divide up the same, each taking his rod or mile of it. The concentration of wealth is absolutely necessary to modern industry. It is of immense benefit. Therefore it should be encouraged. Without it, our magnificent enterprises could not have been accomplished, nor undertaken. The productive force of man is not in the individual; it is in the "voluntary," or "forced" co-operation of a number of individuals. Modern industrial corporations 'compelled' the workers to co-operate and thus made possible the construction of a transcontinental railroad, the laying of a transatlantic cable, the tunnelling of the Alps, and the many other stupendous achievements of our time. As an instance. Time was when plows were made by the village smith, and crude and rude instruments they were. When invention had so far advanced as to enable plows to be made by machinery, but requiring the combination of many men and much capital, if some one had endeavored to induce the village smiths, to combine, form a union, put their individual means and work together, erect a factory and make better plows, faster and easier, and thus work only 8 hours per day, and at better wages, probably not one of them could not have been persuaded to favor the enterprise. Thus invention would have perished unused, and progress, in plow-making

would have been prevented. Capitalists came to the rescue of both invention and progress. By means of men's worship of money, they forced a number of workers to co-opoperate and make plows by machinery. But, in so doing, they destroyed the business of the village smiths, compelled them to seek employment at the plow factory, and finally form a Union, this time not to build a factory of their own, but to demand of their employers, higher wages, less hours work, and strike to obtain their request.

Again time was, not far back, when every farmer had a scalding box and smoke house, killed and cured his own pork at home, and sold the surplus to the town grocery; while every town had its own butcher shop to kill and cut all the cattle, and hogs consumed as fresh meat in the town. When invention, aided by railroads and machinery, had devised methods for killing, dressing and curing hogs, cattle and sheep, on a large scale, far more economically and profitably, if any one had endeavored to induce farmers to combine, erect packing houses, and butcher their own stock, co-operatively, not one could have been persuaded to invest in the undertaking. Capitalists took the matter in hand, built packing houses, destroyed scalding boxes and smoke houses, acquired the monopoly of both cattle and meat, and absorbed the profits of

cattle raising. Now, cattlemen are aroused, organize Alliances, Granges and Unions, and hold conventions, not however to build packing houses, nor to return to the old system of butchering, but to urge government to interpose in their behalf and compel capitalists to relinquish the cattle monopoly and pay them remunerative prices. Packers reply to their demand by capturing local butchers also, to prevent farmers from being able to control the fresh meat market; that is by drawing the chains tighter.

What has happened to the village smiths and cattlemen, has happened to shoemakers, tailors and all other trades, and is now in process among merchants. While these still persist in struggling against one another and relying on competition as the 'life of trade,' capitalists form trusts, erect magnificent structures in their midst, undersell them in every article of merchandise, drive them to ruin through this pet competition, and finally will force them to seek employment at the "big establishments" as clerks. Shortly these clerks will form a Union and "strike" for higher wages and night rest. Would these doomed merchants listen to the call of co-operation, if sounded to their ears to-day? We believe not, and shall not make the attempt. Their time has not come yet. They first will wait for ruin, then organize for protection.

Behold the natural and universal course of the industrial stream. But what will be the final result?

Your committee will give an answer to this important question by an expression of their unanimous opinion, drawn from indications already visible upon the industrial horizon.

All these ruined multitude will finally converge into a general co-operative movement of their own, which, in turn, will overthrow these great monopolies and trusts, and establish liberty, interdependence and equity.

Thus, according to our investigation of industrial and economical evolution, we find corporations and trusts to be "necessary evils" to forward progress in the period intervening between the competitive system and general voluntary co operation. This may properly be named the "vulcanic" period of production and distribution. Monopolies will be noted in history as the most powerful instruments, in the hands of Providence to destroy competition, which is economical warfare among rational beings. Nothing is warring against it with the force that they do.

Human events and social institutions present a different aspect to the observer, according as he plants his telescope of observation in periods preceding or following their advent. Institutions

which look bad to us of this generation, such as despotism, slavery, conquest, speculation, monopolies and trusts, would appear quite different if we could behold them from ages preceeding them, and will yet change aspect when looked at from ages to come. Despotism was an improvement ever general insecurity of life and property ; conquest was often an extension of civilization, and would be a boon to the populations of Africa to-day ; slavery was a very great advance over the slaughter of prisoners ; speculation has saved many people from starvation, has served to make the populations of the globe better known to each other, and has distributed wider the benefits of local products, in times when nothing else could have done it ; and now monopolies are proving great instrumentalities of progress and civilization, and harbingers of a universal co-operative estate just dawning.

The fourth cause is "the insufficiency of money and monopoly of existing amount." Here, in this money, your committee has discovered the root of all disorders, the cause of all social distinctions, the robber of Labor, and at the same time the sole power which could force co-operation, and hence make possible the vast enterprises of the age. No other power or instrumentality could have performed the work.

Now your committee are fully convinced that

this same instrument, money, brought to a rational system and applied to the service of labor, will be as effectual to establish voluntary co-operation as it has been, in the hands of capitalists, to force such co-operation in their own behalf, and voluntary co-operation will open a new world for the human race.

The incentive to association, owing to the aggregate of a large number of workers under one management, will prove a mighty auxilliary to voluntary co-operation, as it will furnish all the elements, moral, intellectual and physical, for its immediate success.

Leaving now the outward circumstances which have brought about and continue the association of labor, your committee passed into the interior of these labor Unions to investigate and find what could be done there in their behalf.

As repeatedly stated, here the associations are clamoring for three main objects, viz: permanent employment, high money wages and shorter day's work. Their method of obtaining these has mainly been to fence each Union, or trade, against additions from the outside world, by apprentice regulations, and by demands, addressed indefinitely to employers and governments, that rats and scabs, (by whom they mean non-unionists), children criminals, foreign paupers and contract labor

be excluded from competing with them of the Union. The only weapons used in the contest have been the strike and, lately, the boycott. Shall your committee assist these Unionists to build a Chinese wall against rats, scabs, children, criminals and foreign paupers, who together constitute the mass of humanity? Alas, how can we? Leaving out of the question the duty of men to one another, charity, morality, justice, the golden rule, the much vaunted "inalienable right of every man in pursuit of happiness," we would find our puny forces in front of a mighty army, led by a greater general than can be found in the Union, viz: General Distress. This is the dauntless leader, who, without the aid of drums, fifes, patriotic harangues or any of the flummery used to drown the humane sensibilities and intoxicate the brain in war, arouses men to fight like wild beasts, and, in the face of whom, life itself is not worth preserving. It is hunger, it is wife and children without bread, clothes or shelter which drives men over the earth to seek employment, and compels them to accept any wages, high or low. Hence, we deem it not only vain, but positively dangerous for a Union, composed of but a few thousands, to raise the war cry against a hungry army of millions outside of it. Nor will it avail to hold meetings, make speeches and pass resolutions ordering that hungry army to

halt in their quest for food and perish in idleness, in order that we, of the Union, may have more work and better wages. Besides, let us look a little deeper into the nature of the contest, examine the parties involved in it and the relative position of the outside world. In so far as to obtain employment is concerned, the battle is confined within the ranks of each trade; between Unionists on one side and non Unionists, of the same trade, on the other side. Shoemakers, for instance, are not afraid that brick-layers will compete with them for employment. They fear and fight shoemakers only. Nor do brick-layers fear shoemakers, but fear and fight brick-layers only. The same of every other trade and occupation. Now what have we, outsiders, to do with such family quarrels among shoemakers, brick-layers and others? We have all we can do to keep down, or to keep up, similar contention in our own trade. We too have our Union, our rats, scabs, children, criminals and foreign paupers in battle array competing with us. So much about employment. But when it comes to the other part of the contest, to the higher wages part, the world outside the Unions becomes really interested on the side of rats, scabs, children, criminals and pauper foreign labor, who offer them cheaper service, and cheaper goods, and against the Unionists, who attempt to make them pay higher

for both services and goods. Say what we please, argue as we may, the world at large will ever favor the cheapest of everything. 'Cheap,' means easy to obtain, 'dear,' means hard to get. Men prefer ease to hardship. This is ingrained in human nature. To this instinct are due all mechanical inventions. Accordingly, in the matter of higher wages, each Union of workingmen, has not only the non-unionists of their own trade to contend against, but the whole world besides. Whoever argues otherwise, will belie his own arguments the moment he goes to a store to purchase goods, or hires labor.

There is yet another aggravating circumstance against Unionists in this mighty contest. It is that as a general thing, they are men of small means, therefore least able to stand the contest. They live by daily work and cannot afford to declare war against the whole world. Each Union does but one thing, makes but one article that the world needs, while the world makes every other thing that these Unionists need. And even for that one article, which the Unionists make, the world has the rats, scabs and all non-unionists of the same trade, to resort to, who, in number exceed largely the Unionists. Are not these grave facts before our eyes? Is it not true that large establishments and corporations resort to rats and foreign labor? Have Unionists ever conquered permanently in any im-

portant conflict? Or has the public whose interest, as we have demonstrated, is virtually against the Unionists, ever taken an active part in their favor? What unequal and hopeless struggle! Imagine a few Union hatters, for instance, to threaten the world with a strike, when, if farmers formed a Union, and struck also, these hatters would inevitably perish, while farmers could wear their old hats, or feed rat hatters to make them new ones.

A few words upon the reduction of the hours of labor, which is now prominently agitated, may not be here amiss. This, we believe, will certainly be granted by both government and employers. The government is mainly composed of an army of salaried men, who desire high salaries and short hours' work. Hence the eight hour move will find a favorable response there. Employers, on the other side, can only be hurt, by the grant, on contracts at hand. Regarding new contracts and new production, all they want is to make the change general, so as not to subject themselves and their goods to unfavorable competition. But the important question to labor is 'will such move be beneficial to them?' We think not. The change will only make production cost one-fourth more, and, as the working classes are the greatest consumers, it will compel them to pay one-fourth more for all they use and consume, without realizing any more for

their work. If they were working for themselves, they would readily see this truth. They would see that the less hours, the less product. Let us give an illustration of the effect of the eight hour rule.

At ten hours work per day, twelve men could build a house, at a cost of $1200, which would rent for, say, $10 per month. On the eight hours day, the same house will cost the builder $1500, and accordingly, must rent it at $12.50 per month. The twelve mechanics have made no more money than they did before, and now they, or their comrades, being the renters, have to pay $2.50 more rent per month, as long as the house lasts. True they rest more, but rest is similar to idleness, and leads to poverty. But this is not yet all the damage resulting from the change. Work and production will progress one-fourth slower. To build said house, in the same time, will require the addition of three men, making fifteen. Now fifteen men will do no more work than the twelve did before, but consume one-fourth more of the products of others, which product will also be reduced in quantity one-fourth the former supply. In regard to the house, there will be fifteen men competing to rent it, and every tyro in political economy knows, that when demand rises, value rises too. Consequently the twelve men will not be able to rent said house even at $12.50 per month, but may have to

pay $15, owing to the competition of the other three men.

The result of the eight hour change will not affect rent alone, but every article of consumption, and use produced under it. If farmers, who work now at least twelve hours per day, could enjoy the benefit of the reduced hours, which they cannot, (the character of their work not allowing it), their products would rise 50 per cent. Exportable commodities, coming in competition with foreign goods could no longer be sold, and therefore their production would cease and men discharged.

It would also arouse the animosity of farmers against mechanics and other classes, who should enjoy the benefit of it. Look at it as we may, we see but disaster to the laboring classes in the change. It would be as if, of a sudden, they had been crippled and disabled to the extent of one-fourth their former ability.

In these criticisms, your committee intends no reflection on organized labor. We merely aim to show the futility and hopelessness of the present method of warfare and prove the necessity of changing base and resorting to more promising methods, if success is to be attained.

Thus your committee comes out of this "survey" convinced that the existing industrial disorder not chargeable particularly to individual men or

classes. There has been no intention in any of them to harm others, but all float along, as easy as possible, down the social stream of life in quest of health, wealth and happiness. Existing conflicts of interest are due to ignorance and are intensified by the period of social evolution through which we are passing. It is the period, as we said, intervening between the downfall of competition and the advent of "voluntary" co-operation. We see clearly how monopolies were made necessary to put in operation the wonderful inventions of this age. We see what powerful agencies of progress and civilization they have proven to be; and further we see in them the harbingers of future harmony.

True these monopolies have been prompted by the narrow and selfish object of mere lucre. True they have brought destruction to thousands of industries of former times, and have reduced millions to poverty and servitude, the latter of which is much to be deplored. But, with the narrow and false conception of the nature and functions of money, which they and the colonists held in common, we cannot imagine how such calamities could have been averted. Inventions, as we said, made the combination of large masses of workers necessary, before they had been educated for concerted action. Hence no alternative remained, except either to discard inventions and continue to plod

along with the old method of production and transportation, which were daily becoming inadequate to increasing population and wants, or "compel" workmen to co-operate. Capitalists, taking advantage of the situation, "forced" co-operation and absorbed all the benefits of it. Now the time has come for reversing this order of things. Truth must take the place of error and superstition, in money matters, as well as in other things. Confidence among producers themselves must take the place of faith in inert metals and bankers. A change of this character will render speculative co-operation and monopolies superfluous, and they, and the monetary system, upon which they are based, will pass away. Monopolies are plants of rapid growth and, as such, will be short lived. Labor associations, on the contrary will prove the drilled army, ready to enter the new industrial era, fully equipped and ready for action. Your committee only regrets that these associations should have wasted so much valuable time and means in the wrong direction. But let the past bury its dead, and let us onward to the morrow of a brighter day.

THE REFORMATION.

In seeking for a reform of the method of production and distribution of wealth now prevailing your committee has not been satisfied to stop at the surface of things. We first fixed upon the object to be attained, then passed to the consideration of the "ways and means" to attain it. The great desideratum of the working classes, and, in fact, of mankind at large, materially speaking, is real wealth, viz: abundance of food, clothes, a home and as many of the comforts and social amenities of life as possible. Through wealth alone can the mental and moral standing of man be elevated. Hence real wealth became our fixed object. Seeing the esteem that men place upon the 'value' and 'price' of real wealth, we devoted a short time to the consideration of these two terms, but soon abandoned them, as mere abstractions, which neither add nor take away from the utility of real wealth. They are a delusion and a snare, in the hands of speculators, to acquire wealth without equivalents. The principal object of production should be for 'use,' and not for 'sale.' Unfor-

tunately Labor has been too prone to part with its products for money ; consequently shilocks are today in possession of the wealth which labor should, of right, own.

Setting "real wealth " as our objective point, we reasoned that, as such wealth originates in labor, its volume must be in direct proportion to the amount of labor, (not money nor laws), bestowed upon its production. At any place on the earth and any period of human history, the larger the number of persons employed in production, the larger must have been the volume of wealth, and 'vice versa.' This is an axiom. From it we inferred that the first requisite to the material elevation of the working classes is 'employment.' Not gold, silver, precious stones, wampum, mediums of exchange, (especially of the sort we have), nor petitions, resolutions, demands, verbose platforms, high wages, high prices, strikes, boycotts, lockups, single tax nor voting. All of these are empty sounds, and unavailable means to the acquisition of wealth.

With " wealth " as our target and 'employment' the instrumentality to obtain it ; with also the cheering fact that millions of idle persons and untold natural resources are strewn all around us, we next turned our attention to the 'ways and means' for applying this idle labor to the dormant re-

sources, which lead us into the heart of the 'money question.' Your committee approached this question with all the care due to it. We were well aware of its importance to do otherwise. Accordingly, we analyzed the mysterious riddle, and found the word 'money' to be composed of four distinct elements, each of which performs a distinct function in exchange, and the confusion of which elements has been, we believe, the stumbling block to political economists in the solution of the problem.

These four elements are:

1st. "Medium of Exchange," which is a commodity intervening between the exchange of other commodities, when direct barter is impracticable. Many articles have been used for this purpose. The leading ones have been gold and silver. The article most appropriate for the purpose is the one which embodies in the highest degree the following qualities, viz: durability, divisibility, portability, most widely known and appreciated and 'sufficient' in quantity to reach all exchanges. If it falls short of all requirements, it becomes unfit as a medium to the extent of its shortcomings, for, to that extent, exchanges will be paralyzed, and other articles or methods will, of necessity, have to be resorted to. But these supplementary articles or subsidiary methods, should be independent of the original

medium, because, if insufficient at one period and locality, it will be more so in future periods of increased industry and extended commerce. The theory of money redemption has ever proved but a snare, and should be discarded.

2d. "Medium of Payment," viz: an article or articles most suitable for the payment of debts. The function of paying debts, is quite different from that of a medium of exchange, and requires different qualities. It should embody utility above all things. An article of no utility to man, is not fit to restore property borrowed or due. It should be of equal value to the article, or articles, obtained at the time the debt was contracted, viz: it should be "value" paid, for "value" received; and not, as under the present law, commodity paid for commodity received. "Commodities" change value with circumstances, while values do not change. But, above all, it should be an article possessed, or within reach, of the debtor, without causing him extra sacrifices of property.

3d. "Unit of Value." Units of all characters and for any purpose, should be mere abstract names. It is the height of folly to attempt to materialize a unit of computation. It is a mathematical impossibility; it is absurd. Legislators deceive themselves in the belief that they have accomplished such feat in the Unit of value. How wrong!

They have indeed "fixed" by law, the number of "grains" of gold required to make a dollar of that metal. So have they "fixed" the number of "pounds" required to make a bushel of wheat; but both these units (dollar and bushel), so filled, are based on another unit of "weight," and not on "value." In the case of the bushel, reason has never been assumed, or legalized, that the word "bushel should imply wheat and wheat alone. In the case of "dollar" it is confined, and enforced with all the rigor of which the law is capable, to gold alone. This mental aberration is inexplicable. Connected with it, is a still more erroneous idea, viz: that legislators can fix, and have fixed the "value" of the dollar, by merely declaring how many grains of gold constitute it! Declaring that "sixty pounds" of wheat constitute a "bushel" of that grain, does not fix the "value" of the same. If it did, there would no longer be a fluctuating wheat market. Similarly declaring that so many grains of gold shall constitute a dollar, does not fix the "value" of that metal. Value and weight are very dissimilar things.

Your committee will adopt the word dollar (significant of one average day's labor spent in the production of any useful article, and not so many grains of gold) as a unit for the computation of values, and leave the word to mean a dollar of

anything which may be under consideration.

4th. "Money of Account." The best qualifications for a money of account, in industry and commerce, are simplicity, accuracy portability, divisibility, durability, transferability, personal (that it may be recovered by owner if lost) easy recognized, hard to counterfeit, and, above all, based upon real wealth, and not upon one single and monopolized commodity.

Of these four elements we adopted the word "dollar" as "unit," as we said, and the element, or "method of account" as money; discarding the other two altogether. Civilization has outgrown the age of "mediums" of exchange. Ninety seven per cent of commerce is now effected without the use of cowries, wampum, beads, gold, silver nor any other ancient or modern trinket. Nor did we consider it essential to adopt a "medium of payment." In the plan of co-operation, herein formulated, we have excluded debts, as presently understood, to be paid in ancient "mediums." Humanity has had too severe and painful an experience under such debts. The only important requisite in exchanges is a "title" to the general stock of wealth. This title can only be rationally issued by the recipients of that wealth, which in the case of socialism, would be the government. But whether issued by the government or agents appointed by depositors of

wealth in the general store, these titles should no longer be written on wampum, silver, gold or any "medium." Such materials are too scarce and too costly for the functions to be performed. Paper is abundant and cheap. Hence we will have no fear of falling into panics from lack of money. Nor shall we ever part with sources of supply, or needed commodities, for "trinkets" wherewith to exchange what remains among ourselves. We feel convinced that the days of such folly are numbered.

Your committee feel confident that, upon a careful and thorough examination of the co-operative plan herein proposed, the philosopher will find that it contains the redemption of the human race from the "slough of despond," into which the monetary system has plunged it.

Before we proceed to frame the co-operative system which your committee has agreed to recommend, we deem it appropriate to narrate, with some amplifications, an event in the history of money, which opens the way to a fuller understanding of the within plan.

THE GUERNSEY MARKET HOUSE.

In the parish of St. Peter, Island of Guernsey, marketing was carried on in ill-protected stalls around the church square. The losses to venders by rains, and the inconveniencies to buyers, made

the need of a covered market house keenly felt, and some public spirited citizens took the matter in hand to have one built. An estimate of the house required, brought its approximate cost "in money" to $22,000, and to raise this amount of money became the question with the promoters of the scheme. It was a question however of easy solution, as they had thousands of precedents. They drew up a petition, setting forth the need of a market house, and desiring the governor to issue "interest bearing" bonds, to be negotiated in Paris or London, for the money, wherewith to erect the building. To said petition were appended the signatures of some three hundred householders in the parish, and a committee was appointed to present the same to Governor De L' Isle Brock.

It happened that, while the people were money worshipers; that is, believers in the omnipotence of money, Gov. Brock, on the contrary, was a money-infidel; that is, did not believe that money was able to do the least thing. Consequently, when the committee presented the petition, superstition and science came in conflict. The Governor set to work, with arguments, to prevent the citizens from going into debt, and becoming tributary to bankers in Paris or London. After explaining to the committee that all the money in the world could not make nor lay a brick, could not plane nor nail a plank in the

market house, with little effect, he finally struck the right channel and reached their understanding as follows:

"Will you permit me," he asked the committee, "to place before you some very simple questions?" Then continuing, "have we the necessary number of mechanics among us to build said house?" he asked. The committee replied that they had, adding that, owing to dull times, many workmen were out of employment and would be glad of the job. This reply the Governor put down on paper summarily: "We have the men." He then asked about the materials, rocks, bricks, lumber, lime and sand; about tools, teams, as well as all the requisites to maintain men and teams, while the work was being executed. To all of these questions the committee had to reply affirmatively, because the whole was to be found in the parish. Holding then the list in his hands, the Governor, with the full assurance of being in the right, addressed the committee as follows: "Here you tell me that we have within ourselves everything needed to build the market house, yet you desire me to "bond" you to bankers in Paris or London for a material which is of no manner of use in the construction of the house. Strange anomaly! "It is true," remarked one of the committe, "that we have men and materials all, but we lack the money to pay the men,

and buy the materials." "Friends," replied the Governor, "when a man gets paid for work or materials, it means that he has "sold" and parted with the objects that he has been paid for. Is it your intention to build a market house for bankers? If so, then you are correct in your endeavor to get "paid" by those bankers. But, in such case, you should not place yourselves under bondage to those bankers besides. If those bankers "pay" you for the house and hold you in bondage also, demanding an annual tribute, they will soon have both the house and the money they paid you. It will be no relief to say that we make the "renters" of the market stalls pay that tribute to the bankers. The renters will be part of us, and will demand of their customers that tribute in higher prices for goods. So we, jointly, will have to pay tribute in perpetuity for an article, which, as I said, is not of any use to us. Allow me, gentlemen, to propose a better plan for building our market house, than by way of money and bondage. Having, as you avow, men and materials among us, all that is necessary to do, in the case, is to keep accounts of each man's contributions in work or materials, that, in the future, we may balance equitably the expenses of the building. This can best be done by means of a money which lays no claims to interest nor discounts. Instead of bonds, I will issue $22,000,

market house "Scripts" of different denominations (as money), and with these pay the men and purchase materials, then make these scripts receivable, at par with the legal tender money of the realm, for the rent of the market house stalls." The committee, after some hesitation, assented to the Governor's plan. Most of the citizens also agreed to it. The "Scripts" were issued, the materials procured, the men put to work (many had been long time idle), the building erected and the stalls rented. The scripts circulated in the Island at par. Every month's rent reduced their quantity, and, in less than ten years, they were all back in the treasury and stamped "cancelled." The house had been built, the contributors of work and materials were now all paid with the goods they had purchased at the market house, or, indirectly, elsewhere, and not one cent lost to the people in interest nor discount.

Governor De L' Isle Brock did not let this monetary event pass into obsecurity. On the contrary, he desired to impress it vividly upon the mind of his people, and stamp it in the pages of history for the benefit of future generations. Accordingly he appointed a special day to celebrate the anniversary of the building of the market house, and give burial to the Scripts, which had performed the exchanges with equity and now had ceased circulating.

At the appointed day the crowd began early to gather on the public square in front of the market house, which was festooned with garlands and streamers and on its cupola waved a large flag, bearing, in broad gilt letters, the motto: "As good as if built with borrowed gold."

At ten a. m., the procession formed, and, preceded by bands, began to file off through the streets of the little burg. Along the line were carried standards, on which were inscribed mottos like the following: "Hail the new financial system," "Down with bonds and borrowing," "Adieu bankers," "Labor and Capital have united," "Down with interest," "Money an old fraud," etc. The procession made the round of the burg, returning at two p. m. Here marshals, on horseback, arranged the crowd in a circle on the square, in the center of which was erected a speakers stand and, by the stand, a Vestal fire kindled. When all was ready, the band struck a national song of liberty, while the Governor, accompanied by two attendants, who carried each a bundle of cancelled scripts, advanced, majestically, to the fire and halted. Suddenly the band stopped. The Governor took the bundle of scripts from his attendants and, holding them up to the gaze of the multitude, pronounced the following impressive tribute:

"Well done, good and faithful servants. While

living you have performed your work with equity, and now departing you leave no interest-extorting bonds nor mortgaged home behind; but, instead, you open the portals to a brighter financial era. May the toilers learn wisdom from this example."

He then sprinkled the bundles with perfume, and, while the band was playing a dirge, laid them on the fire, where they were quickly consumed, in the presence of a silent, solemn, thinking mass of people.

After the cremation of the scripts, the Governor, though no public speaker, ascended the stand and delivered the most important financial speech ever delivered on earth before or after. It was as follows:

"Fellow citizens: For the first time in the history of this island you have learned to make your own money. You have built your own market house, without borrowing one cent, without losing one cent in discount and without paying one cent of interest. Now, when everyone, who contributed work or materials, has been fully paid, as attested by the return of the scripts through the rent, the house is yet your property. Henceforth the rent of the same will be appropriated to the expenses of the government, and hence lessen your taxes." Turning then to the market house, and pointing to the flag floating on its cupola, "Behold, he exclaim-

ed in loud tones, a monument of your financial wisdom and "as good as if built with borrowed gold," may future generations profit by your example." With this he descended from the platform amidst the wildest acclamations of the multitude and the deafning sound of the band.

Your committee aims to extend the monetary system of Governor Brock to production and distribution in general, with marked improvements.

Permanent wealth can be built upon the following economical principles or plans:

1st. As 'public' enterprises to which all citizens are forced to contribute, by taxation, in proportion to their means, and all participate in the benefits thereof forever.

2d. As 'capitalistic' enterprises, either directly on the wage system, or, indirectly by loans of money; when rent, in the former case, and interest, in the latter, will carry both money and product to the capitalists.

3d. As 'co-operative' enterprises, when individual contributors use money or in lieu of money, a stationary or portable method of accounts, such as was done in the building of the market house, which will leave said contributors in perpetual possession of their joint product. Governor Brock built his house as a co-operative enterprise, by voluntary contributions, then at the time when capital-

ists, on their system, would have absorbed both house and money: that is when 'the house had paid for itself,' as the saying is, (meaning when the builders can legally be turned out of doors penniless), the Governor did so, too but, instead of handing the house to capitalists, as would have been the case, had he issued bonds and borrowed the money, he declared the house, 'public' property. What right had he to confiscate private property for public use, without equivalent compensation? The wealthiest men in the Parish had, not only refused to contribute towards the building of the house, but had persisted in refusing to receive the scripts, because the method precluded them from speculating on the same and interfered with the profits they realized by the use of money alone. Now, by making the house public property, and appropriating the revenues of it to the reduction of taxes, these same rich men became the largest beneficiaries. It was not just.

Your committee recommend a more equitable system, as will readily be learned by examining the Constitution and regulations of the plan. In it, those alone, who contribute work or materials to improvements, shall be the beneficiaries thereof in perpetuity.

We will only add, by way of advice that, as no people ever can advance in wealth by devoting all

energy in producing perishable or consumable articles alone, nor yet by a commerce in excess of production, we recommend that this association apply all the labor, which can possibly be spared from the production of the necessaries of life and from commerce, to permanent or fixed improvements. These tend to lessen toil and increase enjoyments.

The report of the general committe was favorably received and approved, though the plan of co-operation, which they recommended (as in the following constitution), was not at once put in operation.

A few years afterwards, an organization was formed at Kansas City, in the State of Missouri; but failed to obtain a charter. Subsequently another experimental organization formed at Sedalia, in the same State, which renewed their petition for, and obtained, a charter, as a Beneficent Association.

We give herein a copy of the petition and charter, which, with the Supplimentary Regulations following, embodies the fundumental principles and plan of operation advised by said committee.

It will be observed that the committee has been dealing solely with conditions surrounding us; with institutions under which we lived; with the habits

and moral sentiments of our people; with facts as they existed. They wasted no time in exhuming past conditions, past institutions nor past methods of exchanges which could not do any good. Nor did they cast reflections upon governments, political parties or religious doctrines for the evils then prevailing. As an expert general in front of the enemy, they dispassionately surveyed the situation and moved accordingly. Most of the Labor leaders in the past had been spending time and talent in invectives against real or supposed enemies. What good had come out of such polemics and negative policy we all know. Labor had been losing ground ever since the contest began. The committee saw this fact, and, hence adopted a change of tactics. That their plan was the proper one under the circumstances, time has already demonstrated. No one acquainted with the success of the "Labor Exchange" Association, doubts now that the workers are on the road to liberty and affluence.

THE LABOR EXCHANGE.

PETITION.

To the Circuit Court of and for the county of Pettis and State of Missouri:

We the undersigned, citizens of the United States, having associated ourselves by articles of agreement for benevolent and educational purposes, do now on this ——— day ———, A. D., 1889, appear in open court by our officers

G. B. De Bernardi, President.
J. H. Monsees, Vice President.
E. T. Beherens, Secretary.
W. F. Sargent, Accountant.
John L. Lomasney, Statistician.
W. T. Cahill, Pres. Advisary Board.

and submit the attached Articles of Agreement, which fully and clearly set forth the purposes and scope of said association, and pray that this Honorable Court cause a decree to be entered of record declaring your petitioners a body corporate and polite, in accordance with Article X, of Chapter 21, of the Revise Statutes of Missouri.

ARTICLES OF AGREEMENT.

The corporate name of this Association shall be the "LABOR EXCHANGE."

The office shall be located at Sedalia, Pettis Co., Missouri.

OBJECT OF THE ASSOCIATION.

First. To provide employment for idle labor, by facilitating the interchange of commodities and services among the associates and the public.

Second. To alleviate the suffering incident to, and avert the social dangers which may arise from, a constantly increasing class of unemployed, by furnishing to this class useful occupation, and saving the wealth, thus produced, for the use and benefit of the actual producers and their dependents.

Third. To lighten the burden of charitable institutions by establishing one self-sustaining.

By and through such employment of idle labor as aforesaid, this Association aims to furnish food, clothing and the comforts of a home to those thus employed, establish depots for mutual exchange, operate boarding houses for the purpose, and also provide for education, the elevation of character and the amenities of life by maintaining schools and other places of instruction.

MEANS—HOW PROVIDED.

First. Fees and dues from members, as may be fixed by the By-laws of the Association.

Second. Soliciting for and receiving contributions of any and all kinds of means necessary to carry out the objects of the Association.

MEMBERSHIP.

Any person, male or female, of good character, not adicted to intemperate or immoral habits, who is willing to engage in a useful occupation or calling, or to aid by work or means to advance the objects herein stated, may become a member of this Association, and be entitled to the benefits of it, under such rules and regulations as may be established by the same.

The Association shall have full power to enact such rules as to expel a disorderly or injurious member; but such expulsion shall not impair any claims which such expelled member may, at the time, possess, or thereafter acquire, against the Association.

PROPERTY—HOW HELD.

The property of this Association, real and personal, shall not under any circumstances be mortgaged or pledged.

The Association shall not borrow any money,

shall not issue any interest bearing note or obligation against itself.

DISTRIBUTION OF REVENUES.

All moneys received for the sale of goods, hire of labor and other property, the execution of contracts, board of hands, entry fee to places of amusement, etc., shall be distributed as follows:

1st. To replenish the stock of goods sold.

2d. To keep the property in repair and to restore any which may have been destroyed by accidents.

3d. To defray the expenses of administration economically conducted.

4th. To support the sick, the disabled and assist the families of deceased members.

5th. To maintain schools, especially evening schools, libraries and places of instruction and amusement.

6th. To extend the field of its operations; by the acquisition of additional means for the employment of idle labor.

OFFICERS.

The officers of this Association shall consist of President, Vice President, Secretary, Accountant, Statistician and as many more officers as the business of the Association may require.

The duties of said principal officer shall be those as implied by their several names.

The distinction of sex shall not be a bar to eligibility to any office; but no person under the age of 21 shall be eligible to the above principle offices, nor to the Board of Trustees as hereinafter provided.

All elections shall be by ballot and at regular meetings of the Association.

The time and place of meetings shall be determined by the Association.

SALARIES, WAGES, VALUES, ETC.

The salaries of officers of this Association, the wages of labor employed, the exchangeable value of commodities and services among the associates; the distribution of tools, implements, machinery and materials for the employment of labor, as well as all claims for preference to such employment, and all other matters not herein specified and determined, shall be fixed and regulated by the By-laws of the Association.

We, whose names are hereunto attached hereby agree to become members of the

LABOR EXCHANGE

in accordance with the terms and conditions herein set forth and for the objects and purposes herein stated.

G. B. De Bernardi, President, Dresden, Mo.; J. H. Monsees, Vice President, Beaman, Mo.; E. T. Beherens, Secretary; W. F. Sargent, Acccountant; John L. Lomasney Statistician, Sedalia, Mo.

EXECUTIVE BOARD.

John Goodfellow, J. G. Harris and J. B. Hedges, Sedalia, Mo.

ADVISORY BOARD.

W. F. Cahill, President, Sedalia, Mo.

MANAGER OF STORE.

W. F. Sargent, Sedalia, Mo.

SUPPLEMENTARY REGULATIONS.

1st. For all contributions of money, goods, work or services, the Association shall issue to contributors Certificates of deposit or checks of equal value, which certificates and checks shall not bear interest, nor be redeemable in legal tender money, but receivable by the Association, at face value, in payment for goods purchased from; work or services obtained through, and for all debts and dues to the same.

2d. Applicants for membership shall enter into a contract with the Association that they agree to receive the above Certificates of deposit or checks in full satisfaction for their work and contributions, and relinquish all other claims and liens against the same.

3d. The Association will hold merchandise for consumption or use subject to the redemption of its checks, reserving, however, the right to sell it or exchange it for money and equivalent commodities.

4th. Real estate, machinery implements and tools in operation or use, and all materials set apart

for the employment of labor shall be held inalienably for that object.

5th. Should any real estate, machinery, implements, etc., become superfluous for said object, the same may be sold or exchanged. But in such case, it will require a two third vote of the members interested therein.

6th. The Association may receive "Special Deposits" of real estate, subject to withdrawal, in kind, by depositors or their assignees. The value of said real estate shall be ascertained and determined by appraisers, selected one half by the Association, and one half by the depositors thereof, to whom shall be added an odd number of experts, selected by the said appraisers.

To such depositors the Association shall issue special Certificates, which may, by them be located, and the identical property or equivalent real estate, withdrawn at any place in the keeping of the Association.

The Association shall pay no rent on such special deposits.

7th. The interest of members in the benefits of the Association, over and above the redemption of its certificates of deposits and checks, shall be in the proportion of actual deposits (of which an account shall be kept with each individual member), multiplied by the time said deposits have remained

in the Association. Thus $1000 ten years, shall equal $10000 one year.

ORGANIZATION.

8th. This Association shall consist of a Central, or General Office, and local Branches, operating under a Dispensation or Charter, granted by the Central office, and organized in such a manner and under such By-laws as may be determined by the membership thereof, in accordance to the constitution and objects of the Association.

9th. It shall be the function of the Central office to provide for the original issue of blank Certificates and checks; to harmonize co-operation, adjust difficulties and manage all enterprises in which all the Branches are interested.

10th. Branch Associations may obtain supplies of blank Certificates and checks, at cost, by depositing material equivalents for the same, or by giving approved security for their return.

11th. All certificates of deposit and checks, received by the central office or branches, in payment for goods, services or dues, shall be cancelled, and sent to the Central Accountant.

12th. The central and Branch offices shall, "ex-officio" constitute the Board of Managers.

ADVISORY BOARD.

13th. There shall be elected, by a majority vote

of all the members, a Central Advisory Board, composed of five or more persons, whose term of office shall originally be one, two, three, four and five years, so that the term of one fifth of said Board may expire every year, and the place, or places, be successively filled, at the annual general election for the term of five years.

The functions of this Board shall be the location and extent of permanent or fixed improvements and productive industries, such as buildings, factories, mines, shops, etc., in order that the same may not conflict with one another, by competition on the markets, or become useless by reason of excess or improper location.

No permanent improvements or productive plants shall be undertaken, in the name of the Association, without permit from the Advisory Board.

14th. All projects for the advancement of the welfare and prosperity of the Association, may originate in any member thereof.

Said project shall be presented to the Local Branch, of which the originator is a member. If approved by a majority vote of said Branch, the project shall be put before all Branches interested therein, and, if again approved by a majority vote of the same, the project shall form part of the

rules, regulations, methods or enterprises of all the Branches having voted thereon.

DIVISION OF EMPLOYMENTS.

15th. The industrial and economical operations of the Association shall be devided into three general and two auxiliary departments.

GENERAL DEPARTMENTS.

1st. Department of Production.
2d. Department of Distribution.
3d. Department of Consumption.

AUXILIARY DEPARTMENTS.

1st. Department of Statistics.
2d. Department of Accounts.

Each of these departments may be subdivided into as many groups as may be required.

Each special trade, profession or calling, shall have the control of its own branch of industry, subject only to the General Board in their respective relation to other departments and industries.

Each trade and profession shall elect their own special officers.

16th. "The Department of Production" shall have charge of tools, utensils, implements, machinery, shops, mills, factories, foundries, farms

mines, brick yards, quarries, etc., and all materials necessary to the production of wealth.

This department shall have authority to contract for private, corporate and public works, and, by these means, and the enterprises of the Association, endeavor to keep constantly employed a well equipped industrial body of men and women, in the production of wealth, especially of a permanent character, and thus promote the general welfare.

Each Local Branch interested in any contract or enterprise of this Department, shall be entitled to a proportionate quota of volunteer workers, contribution of materials, and to a participation in the benefits or losses of the enterprise, in proportion to labor and materials furnished therein.

All the benefits or losses accruing from the enterprises, of the Central Association shall be borne by all the members.

17th. "The Department of Distribution," embracing commerce and transportation, shall have charge of stores, warehouses, elevators, and all means for the storage and preservation of merchandise; all means for transporting, handling, weighing, measuring and distributing the same.

18th. "The Department of Consumption" shall have control of co-operative hotels, boarding houses, hospitals, schools, libraries and places of amusement comfort and education.

19th. "The Department of Statistics" shall have charge of the collection and distribution of Statistics, presenting as full an exhibit, as can be obtained, of the condition and wants of the Association.

20th. "The Department of Accounts," shall manage the issue, clearance and cancellation of Certificates and Checks. These issues shall consist of

1st. A Uniform Coupon Labor Check, in book form, of convenient denominations, from one dollar to one hundred. Each of these books shall contain no less than the amount of one hundred dollars in said assorted coupons.

2d. A Uniform Coupon Loan Check, in book form, of various denominations. Each book shall contain no less than ten dollars in coupons of from one quarter of a dollar to ten dollars.

3d. A Uniform Certificate of Deposit, of various denominations, to be handed to depositors of merchandise or labor.

Each of these three issues shall be dated and numbered co-ordinately, beginning and ending with each year. Thus each year's issue shall begin with No. One.

No issue shall be redeemable in legal tender money, but receivable as heretofore provided.

All details regarding the issue, clearing, and

cancelling the above issues, and other matters appertaining to the management of the same, and the security and safety of the holders thereof, shall be provided as circumstance may indicate.

THE EXCHANGE.

IN THE YEAR 1900.

The Organization at Sedalia proved "the cloud no bigger than a man's hand" which brought about the industrial Reformation in the colony.

The Labor Exchange began operations without money and without stock. It opened its hands to receive deposits of merchandise and labor, at market price, and issued Certificates of Deposit for the same. It also acted as intermediate agent between employers and employes, free of charge. At first, it made but slow progress; but soon it drew the attention of those proscribed pilgrims from the labor ranks, lately called 'tramps.' These were followed by more fortunate mechanics and laborers as fast as scarcity of money cast them out of employment. Farmers, who could not dispose of products, except at ruinous sacrifices, began to deposit the same in the care of the Exchange, and accepted its Certificates. As the stock of goods increased, so did 'credit' in its checks. Shoemakers, tailors, barbers, watchmakers and all such trades,

as require little or no outlay for tools and materials, soon accepted the Labor Exchange checks in payment for their work. As soon as a small fund could be collected in money to purchase materials, the female members were set to work, at their homes, making overalls and underware. These they placed in the stores of the Association for sale, or exchange for other products. Small industries, unable to compete with large factories, under the money system, fell into the Association. Small merchants, no longer able to stand the heavy rents of business centers, and look at their former customers turning to the large establishment, just opened by a company of capitalists, consigned their goods to the Labor Exchange, thus averting rent, expenses and bankruptcy. Brickyards, quarries, tile factories and other productive plants, about to discharge their employes, from lack of a market for their products, were kept in operation by the workmen, who had joined the Labor Exchange, accepting the product of their own work in payment for their wages. These products were then deposited in the keeping of the Exchange for its checks. The same materials were used to employ idle mechanics to put up buildings, or under drain fields. Thus, by the ministration of the Labor Exchange, industry and commerce were kept in motion, when deficiency of money would have par-

alyzed both. Thus the Labor Exchange has become an immense repository of almost everything that the world produces, and an immense instrumentality for the employment of Labor.

We could not convey to the reader a better knowledge of the "modus operandi" of this organization than by giving the

EXPERIENCE OF MEMBERS.

A MECHANIC said: "I had belonged to almost every Labor Association, besides my own Union, and we had discussed the problem, I thought, from every point of view, and 'resolved' everything imaginable. I had taken active part in four strikes, one of which proved successful, and the other three disastrous. But successful or disastrous, I saw that we, workers, were always losers, and were alienating from us, public opinion, especially of farmers and merchants, in consequence of losses, these classes were subjected to, by the stoppage of business. Hearing of the Labor Exchange and feeling an especial interest in the feature that it professed to furnish employment, our Union appropriated ten dollars to defray the expenses of a lecturer and organizer. The lecturer came. He wasted no time in depicting the deplorable condition of labor, the cruelty of employers, nor the wrongs of government; but straightway explained

to us the objects of the Labor Exchange, and the ways of attaining those objects. We felt convinced that the Exchange was the thing, that we had been looking for, and hence, by a large majority, voted to establish a Branch in our city. At every meeting, we made a collection, and each voluntary contributor received a Certificate of Deposit. The money was deposited in a savings bank, and served as a basis for the validity of the checks.

These checks soon amounted to a considerable sum, and the members used them in payment for services and trade among themselves.

In less than eighteen months, we had on deposit ten thousand dollars, and, of course, the same amount of checks in the hands of the members, which performed a much larger amount of business, not only among ourselves, but with outsiders also. We now decided to withdraw our deposit from the bank, purchase a lot in the central part of the city, and put a building thereon. We paid for the lot and part of the materials, in money, and paid the workmen in Labor Checks. This proved a tripple benefit to us. It employed our mechanics, gave us a home to meet and stores to rent, and put over twenty thousand Labor Checks in our hands, to do business with. Our meetings were always open, our affairs well known, and our number kept increasing.

What came out of that small beginning you all see. The Association owns, in the city alone, over half a million dollars worth of property. It is running a number of industries, and none of its members need fear to incur the displeasure of an employer and lose their bread.

A BRICKBURNER.

"Ten of us," said he, "working at a brick yard, expected soon to be discharged, and had no idea where to find another job. Times were hard and bricks not in demand. One morning three farmers rode up to the yard, and wished us to join the Labor Exchange. We laughed at the idea. "What good would the Labor Exchange do us? We had nothing to exchange, and, besides, we did not expect to be there long," we said. "Where are you going?" asked one of the farmers. "To tramp," we replied. "Is there not plenty of work here?" he asked again. "No," we answered, "not after this week." "What is the matter? is the town finished?" he querried. "Finished or not finished, no one wants bricks," we replied. "Look here, gentlemen," said the farmer, "there is no necessity of stopping brick-burning here. The town is hardly commenced and, there will be a heavy demand for bricks shortly, if not now. Join the Exchange, and we will see whether we cannot arrange so that you may continue at work. If members of our Asso-

ciation, you could take bricks in payment for wages. The Exchange would take the bricks from you and give you its checks." We had to laugh heartily, thinking the granger was somewhat cracked. "What good would your checks do us?" we asked. "They will prove that you hold that much property in the Association," answered the farmer. "Is that not better than going into idleness?" he continued. It sounded reasonable. He then explained to us the workings of the Labor Exchange. We became convinced, went with the farmers to see the proprietor of the yard, to whom they also explained the method of business of the Association. He agreed to continue us at work, if we would take bricks for our wages. At the same time the farmers agreed to furnish wood to burn the bricks and receive payment in bricks also.

The same bricks are now doing duty in the finest four story business building in the center of the town, and were put there by brick-layers who, without the Labor Exchange, would have spent that time tramping. We and the brick-layers have been amply paid for our work, and still hold, in that building, the interest that capitalists would hold, if it had been built by their money instead of the Labor Exchange check.

A FARMER.

"One day," he said, "I was fixing the fence

around a barn lot, when two gentlemen rode up, and, after the usual salutions about the weather, fine country, etc., one of them asked "why I did not build a barn to shelter my stock and forage?" "Lack of means," I replied. "You mean lack of money," he retorted, "for I see that you have plenty of means on your farm." "Yes, I mean lack of money," I answered. Would it not pay you to borrow the money? Is not your loss in forage, the condition of your stock, time in feeding, etc., heavier than the interest on the loan?" he asked. "I do not intend to place a mortgage on my farm unless compelled to by sickness," I replied. "I have seen too many farmers driven away from their home by small mortgages." "What would you have to pay for money hire?" continued the man. "Eight per cent," I answered. "That is very heavy," he said. The general wealth of the nation, according to the decennial inventories, grows only at the rate of $3\frac{1}{8}$ per cent per annum, and, whoever pays more than that, is doomed to ruin. "Look here, friend," he then explained, "We are mechanics, and belong to the Labor Exchange Association. We heard that you needed work in our line, and came to see, whether we could not persuade you to join said Association, and have your barn built through the same. The Association will lend you its checks at one per cent,

or just enough to cover expense of issue and management. It will give you five or more years time to return the checks, and the choice to pay in money or in products, at market prices." "How is this?" I inquired. They explained to me in full the workings of the Labor Exchange. I felt convinced that I could well afford to pay one per cent rather than suffer the loss consequent on keeping my forage and feeding my stock out of doors. So I joined the Association, borrowed $1500 in checks, and had my barn built, and a good one it was for the money, because the Labor Exchange guarantees its work. Subsequently, whenever I had produce to spare from my ordinary expenses, I took it to the Labor Exchange stores. In a short time my debt was paid. I feel convinced, friends, that if such organization had come into existence years ago, thousands of farms, carried away by mortgages, would now be the happy homes of the farmers who improved them, and that thousands of mechanics, who were forced to leave their families in destitution, and tramp the colony in search of work, would have been building barnes on these farms and supporting their families in abundance out of the products, which were wasted in interest to money-lenders. Thank God, a way has been found out of the grasp of the money power. My prayer is that the Labor Exchange may, not only

spread over our colony, but over the whole world.

A CARPENTER'S STORY.

Hard times, no work and poverty forced me to leave wife and three children, almost destitute, and tramp westward in quest of employment. The Lord knows what hardships, wants and humiliations I endured, but finally I reached a thriving city on the Missouri river, where my hopes for employment were brightened by the sight of a number of improvements in process of execution. Still, wherever I applied for work, I found every place filled and many, besides myself, yet out in the cold.

One day, when my cup of sorrow was overflowing, by the reading of a letter from home, asking for money to pay the rent and purchase provisions, as the landlord was threatening to turn them out of door, and the grocery man had refused to credit them any longer, a comrade advised me to apply to the Labor Exchange. "What is the Labor Exchange?" I asked him. He said that it was an Association of workmen intended for the employment of idle labor. By direction, I went to the office of the Labor Exchange, and a small concern it appeared to me. "Is it true," I asked, "that you will help a fellow to find work?" "That is our principal object," answered the Secretary, and

asked what my trade was. "Carpenter," I answered. The Secretary opened a book, laying on the table, and found that he had no application for carpenters at the time. "But, if you fail to find employment," he kindly added, "call again, for we may have an application at any time. "What is your charge?" I asked. "We do not charge applicants," he answered. "Were we to charge anything, many very poor workmen and women would not be able to apply, and thus we would not be enabled to assist the very ones, who need assistance most. This Association is intended to add, if possible, to the means of working people and not take away part of what little they may have." I thanked him for his kindness and left in search of work. Several times thereafter I came to the office of the Labor Exchange to inquire what prospect. At last the Secretary informed me that he had found me a good job. A man had taken a contract to put up a large building, needed a number of carpenters, applied to the office of the Labor Exchange, he said, "and we gave him your name." "But," he added, "the contractor will not begin work for a couple of weeks, hence we desire to know whether you will accept the job or not."

After a moment consideration, I replied in the affirmative. It had proven so hard to find a job, that I could not afford to lose this, even if I had to

wait two weeks for it. The moment I accepted the job, the secretary asked me what I intended to do in the interval, while waiting. "I don't see what else I can do but walk the streets of the city for work, as I have been doing for the last three weeks," I answered. "if so," rejoined the Secretary, "our Association will employ you these two weeks." "I am glad to hear it," I said, "and what wages does your Association pay?" "We do not pay at all," answered the Secretary. "We are not a money institution, and do not deal in money." This surprised me and inspired me with fear that the kindness of the Secretary to find me employment gratuitously was, perhaps, but a scheme to get double pay in gratuitous labor; hence I boldly expressed my opinion by the pointed question: "You do not expect a poor fellow like me to work for you two weeks for nothing, do you?" "Far from it," answered the Secretary, "we expect you to get higher wages than you ever got before." "How so?" I asked, "you said that you do not pay at all, and now assert that I will get higher wages than I ever got. Will you please explain to me the puzzle." "I will do so willingly," replied the Secretary. "We are an Association of workingmen and women, not capitalists. We have plenty of work, but no money and, therefore, cannot pay money. For this reason, knowing that men need

money to pay board, rent, etc., we do all in our power to first find applicants, whether members of our Association or not, employment, where they can obtain money-wages, but, when a man is out of employment, and will work for the Association, we can only give him, and do give him, the whole of his own work in payment. You know, friend, that no contractor can afford to pay as much, for he must realize some profits out of his employes. This we accomplish by means of a Labor check, or Certificate of Deposit, which represents the interest or property that each worker or contributor holds in the "fixed wealth" in the hands of the Association. Just now the Association has purchased a lot and paid for the same in checks, indicating that the former owner of the lot holds the value of the lot in the Association. We paid for digging the cellar in checks. We had the foundation laid in the same manner, by men, who like you, were out of employment, also, we succeeded in buying the lumber with checks, and now we are ready to employ idle carpenters to put up the building, if they choose to do so and accept checks in payment, at the rate of wages paid on the market, in money." "What use will your checks be to me?" I asked. "Could I pay my board bill with them?" "May be not," answered the Secretary, "and as before said, we tried to get you a job where

you can get money wages." "But, friend, if you had no money to pay your board bill, any landlord would sooner board you, if you had an interest in a house here, than if you did not have it. The building, you help to put up, will be surely worth the materials and labor bestowed upon it, and if those, who bestowed the materials and labor on it, own the building, in the proportion of their several contributions, they are certainly the owners of the whole they contributed. Those who contributed materials will be bettered by the better position of said materials, and those who contributed labor, if idle, will be the gainers of the whole interest in it." I decided to go to work. I would be idle anyhow, I reasoned within myself, and at the end of the two weeks the Association paid me $30 in Labor Checks. When the Secretary paid me the Checks, he invited me to join the Labor Exchange. The cost was insignificant, he said, and assured me that I would find it profitable. I did so, paid my small fee in Labor Checks and left the place, to go to my job. Finally I left the city also.

Years passed, during which the Labor Exchange spread in many towns and cities of the West, and, as I found afterward, had become a wealthy institution. Several times, in my travels, I came in contact with the Association, obtained their assistance to procure employment, and worked for the

same, on several occasions, to the amount, in all, of $120, as per Checks in hand, on which however, I must confess, I did not set full value.

Finally I resolved to move West with my family. On arrival at the city of our destination, we searched the city for a house to rent, and found one, in size and location, suitable to my wife. We inquired as to the owner of the house and were told that it belonged to the Labor Exchange Association. I told my wife that I knew that Association, in fact, that I belonged to it, that I had worked for it on several occasions, and different places, when accidentally out of employment. We went to the office of the Exchange, which was now quite a different thing from the office that I had at first entered into a few years before. We asked what the rent on the house was; were told ten dollars a month. We rented it and moved into it.

At the expiration of the first month, I went to pay the rent. Before doing so, I stated to the Secretary that I had 'money' to pay the rent, but that I was a member of his Association; stated where I had joined it, that I had worked for it several times and different places, and held $120 of its Checks. Now I desired to know whether I could not pay my rent with said Checks. If so, I could save my money for purposes, where these Checks were not available. "Certainly," replied the Sec-

retary at once. "The Checks are receivable by the Association, at their face value, for merchandise, work and all debts and dues to the same, wherever it has a Branch. You could have seen this by reading the inscription on the Check itself. Then added that the Checks of the Association were virtually worth 'more' than 'ordinary money.' This latter assertion, viz: that the Labor Checks were better than money, I could not comprehend, nor did I, at the time, believe. I paid our rent and left the office.

These payments in Checks I continued monthly, until, at the end of one year, I had exhausted the amount in hand. I felt glad that finally I had found use for the Checks, on which, to tell the truth, I had never, as I said, placed much value, never having been located at a place where the Association had stores or houses to rent. "Now," said I to the Secretary, when I had paid my last Check, "I am pleased with your system of doing business, as your Checks came in good play. I made these Checks when my time would have been lost in idleness, and now they saved me their full value in money. So I added, when idle, I shall be ready to work for you again." "We are grateful that you are pleased with the Association and its business method, friend," said the Secretary, "but you are mistaken when you say that the Labor

Checks are only worth as much as ordinary money. They are worth to you, and to every other member, many times more than money." "How can that be?" I asked. "You took the Checks in payment for the rent only dollar for dollar. I had $120, and they paid $120 of rent. Where is the better or the more to come from?" Here is where the better of the Check over money is," explained the Secretary. "If you had worked for a capitalist, and received $120 wages in money, then rented a house from the same capitalist and paid him $120 in rent, would you have any more interest in the property of that capitalist?" "Of course not," I replied. "You worked for this Association; we paid you the $120 in wages; we paid the rate of wages in money at the time and place you worked, then we rented you a house and charged no more than the capitalist would have charged you for a like house, and cancelled all your $120 Checks. Now what interest have you left in this Association?" "No more I suppose, than I would have in the case of the capitalist," I answered. "You have an interest of $120 in the permanent wealth of the Association," stated the Secretary. "The joint work of men produces "consumable" and "unconsumable" or fixed wealth. They can only consume part of their productions, such as food, clothes, medicine, tools, utensils, etc., etc., but buildings, factories, mines,

etc., remain from generation to generation. Now you have only consumed the 'use' of the house you lived in, but not the house itself. In the Labor Exchange you may consume the wages you get in food, clothes, rent or pleasures, but you will ever be partner in the permanent portion which you helped to produce. By the monetary system, workmen produce all the wealth, consumable and permanent, but are only allowed to use the consumable portion, and lose all the fixed portion. By the Labor Exchange or Check system, the producers get both the consumable and permanent, that is, the whole of their products. You have an example in your own case. Suppose all the work you did for the Association, had been bestowed on one house, and nine other persons had furnished the materials and helped in the work to the extent of $120 each. It would result that ten of you had furnished everything and built the house. Now suppose each of you lives in the house one year, at $10 per month, and pays an agent, appointed by themselves to rent the house, the $120. At the end of ten years, each of the ten would have lived one year in the house and paid all his checks. Now whose house would it be? Would it not belong to the same persons? They would only have consumed the wages part, in the use of the house, but they would yet own the permanent part, which

is the house itself. Under the money system a capitalist pays out a sum of money to build a house; in six or eight years he gets all the money back in rent, and then owns both house and money. The workers did all, and he gets all. No wonder the capitalists continue to add house to house, and labor continues to lose all it makes. All the improvements in the world have either been done by slave labor or by the money system, and, as a matter of course, belong to the capitalists. Had they been done on the Labor Check plan, they would belong to the workers. Let the working classes choose between the two systems. The wage system, in money, will keep them for ever poor; the Labor Check system will lead them to wealth."

"We have yet another feature, in the Labor Exchange system, which should be highly prized by the working classes. It is the 'protection' thrown around them against prowling speculators. Being organized as a "charitable" Association, our charter does not allow us to speculate, realize profits and declare dividends. Some would object to this feature, but we regard it as the very foundation of the institution, and the very best for the members. They are getting all the time richer and no speculator can rob them of their permanent share of wealth in the keeping of the Association. Suppose, in your case, that you had sold your $120

Checks to a speculator for $60 in the consumable portion of your wealth. He could have bought $120 worth of merchandise in the stores of the Association, while you, with his $60, could only have purchased $60 worth. Or he could have rented the house you did, and live in it one year, while you could only have staid in it six months. In either case, when his Checks had returned to the Association and been cancelled, we would not recognize him any longer as having any further interest in the same. You had been the original depositor of the wealth in the Association to the amount of $120, and hence, when the Checks are spent in consumables, you are the only one we recognize as owner of the remaining permanent part. No tricks of speculators, nor mistakes of yours, can deprive you and your family of that part. Consider, friend, what immense difference it would make in the condition of the working classes to-day, if our towns and cities, railroads and steamboats, and all permanent improvements, had been built under the Labor Exchange system, instead of the money system. What would the result be?

2st. There never would have been occasion for a day lost in idleness from lack of money.

2d. We never would have parted with any portion of our products to foreign nations for stuff to enable us to exchange the balance left at home. No

stupid 'favorable balance of trade' doctrine would have been encouraged.

3d. The true producers and their descendants, in the proportion of their contributions, would be now the actual owners of all existing improvements and not, as now, pay rent on the houses they built.

You may now understand the reason why, when you worked for the Association the first time, you were invited to join it. Being a worker, a depositor of real wealth, and not a speculator, we were anxious to put that fact on record, so that no one else in the future could rob you of the permanent part of your deposits. While the Association cannot and will never attempt to interfere with the liberty of members to sell the Checks or "wages" portion of their work, it will ever protect them in the "capital" part, which cannot be consumed, against all contingencies of errors, accidents, misfortunes or dissipation.

From the foregoing, you can comprehend, friend and fellow worker, what an immense reform is in store for the working classes in the Labor Exchange Association, and you will surely be convinced that it contains the only possible solution of the Labor question, which is agitating the colony to-day, and which, if left unsolved, would have lead into revolution."

"This was explanation enough for me," added

the carpenter, "I came away wiser and determined to devote every spare moment of my time, not only to work for, but also to advocate and forward the cause of the Labor Exchange.

At present the Labor Exchange is too well known to need commendation. It counts its members by millions, and its deposits reach hundreds of millions in value, and embrace every conceivable variety of merchandise, domestic and foreign. It owns and cultivates extensive farms and plantations with the most approved appliances, and in accordance with the latest scientific discoveries. It runs dairies, fruit canning establishments, etc. It owns and operates mines, smelting furnaces, rolling mills and foundries, quarries, brick yards, potteries and tile factories. It owns warehouses, elevators, flouring mills, stock yards and packing houses. It owns and runs hotels, boarding houses, schools, colleges, libraries, reading rooms and pleasure gardens. It owns thousand of dwelling houses, some of the most superb business buildings in cities, erected mainly by labor which, under the old money system, would have been lost in involuntary idleness.

The members of the Association are no longer forced to tramp the colony in quest of work; nor distressed at what may become of their families, in

case of accident or death. The holders of its Certificates are no longer troubled about their ability to purchase all they desire, money included, (for the Association is operating banks of Exchange in connection with its Clearing Bureau). The Labor Exchange has practically wiped out of the human intellect the pernicious doctrine that money is necessary to human activity, prosperity and happiness, and that government alone can issue it.

One of the improvements, original with the Labor Exchange, and which is just now attracting public attention, is the following, viz.

Cities and towns in the colony, under the legal tender, capitalistic system, have certainly not been built for the comfort of farmer's wives and daughters, nor for female visitors in general. Women were welcome to the town "for the money they brought," but, beyond this, they were no object for consideration by boards of trade nor boards of health. Who had not seen farmers' wives drudging wearily along a side walk in a town, leading a child by the hand and visibly longing for home and rest. There was no place provided in a town or city where that worn out mother, daughter and child could rest, take a cool bath, adjust their toilet, eat the lunch they may have brought with them and attend to the wants of the child. Surely private stores were not the place, nor was standing by

the lumber wagon, which brought them in, in a back alley or yard, a suitable place for such necessary comforts. Hotels were either too expensive for their limited means, or discreditable for ladies. No one but such women and their husbands and fathers could have a correct idea of the discomforts, the sufferings, and, sometimes, the permanent loss of health and premature death caused by such culpable neglect on the part of city councils and citizens, all of whom seemed merely intent in money making and money squandering on personal pleasures.

The Labor Exchange, composed largely of farmers, who felt mostly the above described inconveniencies, with an immense army of workers at its disposal, with volumes of building materials in hand, took the above matter into consideration, purchased whole blocks, centrally located in several towns, and erected thereon magnificent, four stories, fire proof buildings, eighty four feet deep around the block, enclosing a glass covered court, which is used for large assemblies. The ground floor of such buildings is a vast bazar, or exhibition, of double-decked stores, separated by two rows of pillars, between which is the grand promenade. The basement, which is connected by an underground cable railroad to the station, is used for unpacking goods, heating apparatus, and the

engines, which run the machinery of the building. In the stores is found merchandise of all description. The merchants, who rent them, by mutual agreement, have assigned each compartment for a special class of goods. On the same floor are also restaurants, hotels, barber shops and all such conveniencies, as are generally found in leading streets of towns and cities; but, in addition to these, at the four entry gates, are free sitting, social and reading rooms, free toilet and bath rooms for ladies and gentlemen. The three stories above are occupied by almost every conceivable trade and profession, so that the whole may properly be called "The Palace of Industry" containing business, education, pleasure and comfort combined.

Wherever such palaces have been built, they have become the centers of business, the landing of women from the country, the "rendezvous" for friends of both sexes, the attraction of youth, the home of members of the Exchange from all parts of the colony.

Behold the giant which has loomed up among the industrial and financial institutions of the colony. No other private or corporate enterprise can longer cope with its power.

THE TRIUMPH.

And now, when least expected, came a whisper in the air, that the Governor was turning religious; that he was constantly reading the Bible and seeking therein such passages as in Isaiah. "Thy princes are companions of thieves—woe unto them that decree unrighteous decrees, to take away the rights of the poor. Woe unto them that join house to house, that lay field to field, until there is no place. The spoil of the poor is in your houses. Thy silver has become dross. I will make a man more precious than fine gold. For the extortioner is at an end; the spoilers shall cease, the oppressors are consumed out of the land. My people shall build houses and inhabit them; they shall plant vineyards and eat of the fruit thereof. They shall not build and another inhabit; they shall not plant and other eat," etc. He is also searching the New Testament for anathemas against usury.

It is rumored that his conscience is very much disturbed by the way he has treated the colonists, driving millions of them, with their wives and helpless children, into the bleak desert of poverty and

want, for no other crime, than because they could not find gold. It is also rumored that he has repented, and hints at repealing the gold "legal tender decree," and make the road out of the prison of debts, as wide as it has been to fall into it, viz: that he aims to decree every one of the myriads of articles, which are "legal tender" to lead into debt, to be also "legal tender" to come out of the same. Again, it is said that Adventurers are swarming about the Governor's premises and, for some reason, they seem considerably agitated. It betokened truth in the reports.

Hail the inspiration! It comes from the common father in Heaven. He has heard the wailings of the multitude mortgaged in that horrible prison, and has brought the Governor to repentance. We listen to the reports with anxiety and awaited the result with eagerness; when lo! out came the following

PROCLAMATION.

To our subjects greeting:

Whereas; The "legal tender" restriction has been the cause of all public bonds and private mortgages in the colony.

Whereas; Public bonds are a violation of our constitution, which guarantees to the colonists "inalienable" liberty; for "bondage" and "liberty" are antagonistic principles, and

Whereas; mortgages on real estate discourage its improvements, and consequently retard progress and prosperity ; and

Whereas; Many of such mortgages are held by foreign Adventurers, either directly or by attorneys, and are a menace to our sovereignity and the liberty of our people.

Therefore ; In virtue of the right of Eminent Domain, in us vested, we decree, that all persons and corporations, domestic and foreign, holding bonds against this colony, or any portion thereof, or mortgages on real estate, shall, within six months from the date of this proclamation, present the same to our colonial Treasurer and receive payment, of both principal and interest, in legal tender, non-interest bearing Sovereign Drafts. And

All bonds and notes, not presented for payment within the said specified time, shall be null and void, and debarred from collection.

It is further decreed that, at the expiration of the six months, as above determined, all mortgagees shall pay interest to the colonial government, on their respective debts, at the rate of $\$1.87\frac{1}{2}$ per annum, equal to half one cent per day on each one hundred dollars. until the principal be paid. And

Whereas ; When a man lends to another, he lends only a surplus, which he cannot consume nor use.

Therefore ; Be it further decreed that every arti-

cle of utility to man, and everything which heretofore has been considered 'legal' for the contraction of debts, shall, hereafter, be held "legal tender" also, at appraised value, for the payment of the same.

It is further decreed that all the expenses of the government, shall hereafter be paid in our sovereign Drafts upon the colonists, and that all such Drafts be receivable by our officers in payment for all debts, dues and taxes, at their face value, and that they shall also be a legal tender in payment of debts among the people, and that all contracts for the delivery of special articles, not in the possession of the contracting parties, shall be held to be 'option deals' and, ipso facto, not enforcable by law.

THE GOVERNOR.

This proclamation, short and terse, struck the Adventurers like a clap of thunder. They became terribly excited; hurried to and fro, from bank to bank and from one attorney to another. What a predicament! Every one felt that his "revenues" were at an end. Conclaves were at once convened, in bank parlors, to protest, remonstrate and devise means of averting the dire calamity hanging over them. At one of these conclaves a vociferous one was overheard addressing the assembly as follows:

"I always felt, gentlemen, that we were not safe under a free school system. I was convinced that

educated men would no longer perform menial services. I feared that such men would be concocting schemes, whereby to avoid labor, avoid paying their debts and live in idleness. Then again, gentlemen, I always feared this universal suffrage abomination. It is all bosh. What does a clodhopper and mechanic know about government? Hamilton was right in opposing it, when our civil government was framed. The Ancients never committed the faults of educating their serfs or giving them a voice in governmental affairs. I have been watching, gentlemen, the result of these two fatal errors. You have seen, as I have, educated blathskites, from the laboring classes, leave their work and tramp over the colony among mechanics and farmers, preaching the most abominable doctrines; inciting them to disrespect for their superiors, and organizing them into anarchical Unions. I said then that we should put our foot upon such Unions at once, and stamp them out of existence. We should have blacklisted every member of these unions, and starve them out of employment. They are but schools of communism, anarchism and dynamite, fit only for powder and lead." With the last expression, the speaker smacked the table in front of him, a hard knock, adding with a higher pitch of voice, "and the Governor is no better, gentlemen."

At such pitch the assembly jumped to their feet, stamped the floor, swearing like mule drivers, hitting the air with their fists, and making dreadful threats against the 'rascals,' and that 'bigoted fool,' the Governor. Finally they got their attorneys to draw up a remonstrance against the proclamation.

It run thus:

Hon. Sir:—"The best portion of your citizens are amazed at your last proclamation. They attribute it to a stroke of superstition, and, therefore believe that, when you return to your reason, you will not attempt to enforce such act of vandalism against vested rights, and institutions made sacred by the sanction of all governments for centuries.

But, sir, the very fact of its publication has already done an immense harm. The benighted colonists, who happened to be in debt, are drunk with foolish joy, believing that such act of robbery will be enforced. It may take the army to quell them down and put them to work again, for this class (debtors), is more numerous than you may imagine.

We expect, Hon. Sir, that you will, at once, repeal said thoughtless decree, and make provisions to restore "law and order" in the colony.

Your best friends, The Adventurers.

The reply that the Governor gave to this remonstrance, was characteristic. He wrote:

GENTLEMEN: "Your remonstrance has been carefully considered. The arguments therein, against my last decree, do not change, in the least, my determination to open wide the prison of debts, and bring forth my beloved people to liberty. I have been heretofore working "for the good of a few." I shall hereafter work for "the greatest good to the greatest number," Because, "piracy" was carried on for a long period, it did not become a virtuous occupation. Because slavery was spread all over the earth, and lasted for centuries, it was not made sacred by time, religion nor civil laws. Now because an iniquitous monetary system has enjoyed the sanction of government and is made hoary by age, it does not prove that it is anything but an iniquity, worse than slavery. It has perverted the worship of the true God into the adoration of a golden calf. It has separated our beloved people into lords and servants, enabling the few to luxuriate in idleness and crime, and dooming the many to a life of servitude, toil and misery. It is useless, as proven by the Labor Exchange Checks; produces nothing and extorts all. I have determined, God being my helper, to wipe it out of the Temple.

THE GOVERNOR.

This answer aroused the Adventurers to fury. They organized their puny forces (they are so few

of them), into a "Law and Order League," to attack the Labor leaders wherever found.

We were talking, rather lively, to a group of friends, when some Adventurers recognized us a "Labor Agitator," and one of them advancing, "you rascal," (this is the title with which highway robbers usually salute their victims, when grasping them by the collar or pointing a pistol to their head,) "you blatherskite, you communist," he raged at us, and shook his fist.

This volley came so suddenly that it threw us off our usual calmness. We regretted it afterward. But at the moment our temper got the better of us, and "you sinners," we replied, "you worshipers of Mammon; you have been living in idleness and luxury, out of others' toil, so long, that ye think ye have acquired the right to do so forever. You are not aware that a canker of greed is eating your heart, and are surrounded by an atmosphere of envy and hatred. You have been heaping coals of fire on your souls, here and hereafter, by your extortions from the poor. Your pampered children have imbibed contempt for the toilers of earth, and vent their passions in vanity, dissipation and crimes. Many are the victims you have strewn on your path through life. The cries of these victims have reached the throne of God. Hence this glorious reformation. Nor do you confine your op-

pressions to this life alone, but continue them from beyond the grave. Only yesterday one of your congeners died, leaving one hundred thousand Florins to be "invested," and the extorted "revenues" thereof to be devoted to keeping an electric light in his tomb, and another in his grave, constantly burning. We have seen the day, alas! when such "commands," from the dead, were implicitly obeyed, and men drawn from production to do the work. Thank God, and our good Governor, such a day has passed, never to return. There is not a man in the colony, certainly not a member of the Labor Exchange, but would have told that wicked moribond of yours, to take his Florins along with him, as future generations would no longer need them; and that the living had resolved to be free to minister to their own comforts and enjoyments, without wasting time and means to the service of arrogant shylocks rotting in their graves. Repent ye generation of vipers, for the day of judgment has come." Thus we spoke, and the gathered crowd applauded. We regretted it, we said, because it is not generous to vilify a fallen foe.

Finally the infuriated "Law and Order Leaguers" accompanied by their attorneys, started in a body to the Governor's palace. On approaching, they heard bands playing, (Adventurers have no bands of their own). They saw banners floating. They

found the square, in front of the palace, densely crowded with enthusiastic colonists, shouting, hurrahing and cheering. They found the Court and Palace thronged with the "bone and sinew of the land," gathered from farm, factory and mine, to pay homage to their deliverer. They saw everywhere the soldiers fraternizing with the people. They saw sights which brought dismay to their souls. They saw poorly clad women, with tears of joy rolling down their emaciated cheeks, leading ragged little ones, by the hand, to let them catch a glimps of the New Moses, who had delivered them from financial bondage. Nay, they saw the Governor himself, moved by compassion, his eyes moist with tears, clasping these children in his arms and, in sobs, imploring them to pray God for him, that He may forgive him the wrongs, that he had done, and permitted to be done, to their parents. Yes, they saw enough to turn them back, many of them repentant.

The night of the Jubilee was spent in general festivities- All the cities and towns in the colony were illuminated. The leading streets, squares, parks and public gardens were thronged with joyous people. Fireworks, bands, singing, balls, theaters and shows everywhere. The Industrial Palaces of the Labor Exchange were festooned with garlands, inside and out, and from ground floor to

the roof. (The Adventurers had gone to bed early). We visited a panorama improvised by a member of the Labor Exchange. It contained three scenes, representing the past monetary system and its final ending. The first scene showed a revolving mass of industry and commerce paralized, as drift, in front of a narrow gate, upon which were inscribed the words "Needle's Eye," the only legal path to liberty and affluence." An expansive and rich country was visible in the distance, but no way provided to cross the "legal" obstruction. The second view represented a vast, rich and rugged region, called the "Kingdom of Legal Tender Credit." All, who had goods, were enticed to enter this region, by leaving their goods in pawn at the gate. A great multitude had entered here, prefering to risk this country, rather than remain and perish at the gate of the "Needle's Eye;" and the pawned goods, at the entry gate, were already mountain high. Within that Kingdom, there seemed to be a life or death struggle after "fire flies." Thousands had abandoned the rich fields of production, in the chase after these flies. On asking the showman what virtue was in 'fire flies,' he replied that there was none whatever, but that they had been declared 'legal tender.' At intervals, but very few flies could be seen flashing in the air. At such moments, the people appeared siezed with

panic, as if some dreadful calamity was at hand. The struggle for the flies would then become really fierce, and multitudes of men, women and children would, immediately, be cast outside of the Kingdom destitute, for having failed to catch the required number of flies. The men stood grieving, the women weeping, and the children wondering at the mysterious ways of men.

A stranger could not have comprehended the significance of such tragic scenes; but the reality of them was yet so vivid in our memory, that we trembled, lest they should return.

The third scene represented the grandest and most beautiful landscape ever seen by mortal man. It was a veritable Garden of Eden. Immediately under the observer, could be seen the place where the Needles Eye of legal tender had stood, now blown to splinters by the dynamite proclamation of the Governor, and grey headed men were searching, among the rubbish, for the fragments to store away in museums. Far beyond this spot, marched the grand army of Labor, evolving volumes of wealth as they advanced. Still further on, beyond them, we could dimly discern the Governor, on horseback, chasing the Pawn Brokers out of the country. We told the keeper that the last sight was wicked. Altogether it was a magnificent sight, never to be forgotten.

On returning home, we passed a squad of boys intoxicated with merriment. "What is all this rejoicing about, boys?" we asked, for curiosity. "Do you not know, sir?" querried one supprised. "The Governor has joined the Labor Exchange," he added. We felt amused, and went on resuming our train of thoughts about the wonderful Reformation which had been accomplished in so short a period. The long night of chaos, oppression and plunder transformed into a bright day of liberty, equity and happiness.

We were awaken next morning by peals of cannons, booming in the dawn of the New Era.

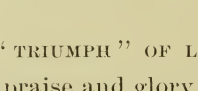
BENEDICTION.

We, who have passed the whole of a long life with the oppressed, amidst heart rending scenes of misery and woe; we, who, during all those years, lived, as it were, on the borders of a better land, in full view of a brighter day, from which but a thin fetich veil separated a gold benighted multitude; we, who, by reason of this mental condition, endured greater agony in that vale of despondency and gloom; as we now totter along the corridors of these "Palaces of Industry," erected by the Labor Exchange, our soul exalted by the symphony of

musical instruments and the glee of many voices, made happy by the Reformation, rejoice, in our old age, and from the bottom of our heart rise feelings of gratitude and adoration to a benign Providence for having spared our life and permitted us to see the Legal Tender obstruction removed from the path of human progress, the metallic walls around the "purgatory" of debts, leveled to the ground, and the mighty host imprisoned therein, come forth into the Elisian Fields of this New Era. Lo! we have waded through the "TRIALS," and now it is given us to behold.

THE "TRIUMPH" OF LABOR.

To God be the praise and glory forever.



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